

191053

JPRS-EER-86-073

12 MAY 1986

# East Europe Report

19980213 101

DTIC QUALITY INSPECTED 3

DISTRIBUTION STATEMENT A

Approved for public release;  
Distribution Unlimited

**FBIS**

FOREIGN BROADCAST INFORMATION SERVICE

28  
93  
A05

#### NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

#### PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

12 MAY 1986

## EAST EUROPE REPORT

## CONTENTS

## AGRICULTURE

## BULGARIA

- Causes for Fodder Shortage Examined  
(Mariana Tincheva; RABOTNICHESKO DELO, 29 Jan 86)..... 1

## GERMAN DEMOCRATIC REPUBLIC

- Efficient Use of Farm Transport, Storage Facilities Urged  
(AGRARTECHNIK, Vol 36 No 2, Feb 86)..... 4

## ECONOMY

## CZECHOSLOVAKIA

- Work on Danube Dam Lagging Behind  
(PRAVDA, 14 Dec 85)..... 19

## HUNGARY

- Experts View Economic Conditions, Prospects  
(KULGAZDASAG, No 2, Feb 86)..... 22

## POLAND

- Bankruptcy Case Reaches Courts  
(RZECZPOSPOLITA, 1 Apr 86)..... 38
- 'Domgos' Failure Explained, by Mariusz Chemielewski 38  
Official Comments, Marian Tomal Interview 41

## MILITARY

### INTERNATIONAL AFFAIRS

Current Warsaw Pact Military Doctrine Assessed (Curt Gasteyger; OSTEUROPA, Vol 36 No 2, Feb 86).....	43
---	----

### BULGARIA

Editorial Dwells on Improved Living Conditions in Army (Stoyan Subev; NARODNA ARMIYA, 10 Mar 86).....	53
Regulations for Admission of Students to Military Academies (NARODNA ARMIYA, 10 Mar 86).....	58

## POLITICS

### CZECHOSLOVAKIA

'Ordinary Workers' Not Represented as Heroes (HALO SOBOTA, 22 Mar 86).....	72
Young Czechs Said To Adopt Nazi 'Sieg Heil' Greeting (RUDE PRAVO, 7 Mar 86).....	74
Examples of Neglect in Society Cited (TVORBA, 22 Jan 86).....	77

### HUNGARY

Warning Issued Against Repetition of 1956 Revolution (Sandor Fekete; UJ TUKOR, 9 Mar 86).....	80
--	----

### POLAND

PZPR Views Polish Communities in Capitalist Countries (Daniel Lulinski; TRYBUNA LUDU, 14 Feb 86).....	82
ZSL Aktivs Discuss PZPR Program, Foreign Policy (TRYBUNA LUDU, 25 Feb 86).....	84
ZSMP on Youth's Historical Education (TRYBUNA LUDU, 4 Mar 86).....	86

## SOCIOLOGY

### CZECHOSLOVAKIA

Drinking on the Job Still Unchecked (Jozef Podlesovsky; HALO SOBOTA, 15 Feb 86).....	87
---	----

#### Briefs

Obesity: Growing Concern	88
Cigarette Smoking on Increase	88
More Organ Transplants in Experimental Institute	88



AGRICULTURE

BULGARIA

## CAUSES FOR FODDER SHORTAGE EXAMINED

Sofia RABOTNICHESKO DELO in Bulgarian 29 Jan 86 p 4

[Article by Mariana Tincheva: "Can We Feed the Animals?" - A conversation at the Fodder Institute in Pleven reveals sound reasons and blame for the unsatisfactory state of fodder production.]

[Text] In all likelihood, now that the fields are white, the silos are emptying and animal production is decreasing, many managers -- in the okrugs and the agroindustrial complexes -- are asking themselves "Where are we going to get more fodder?"

In recent years our social animal husbandry has resolved a series of basic practical problems by improving breeds, constructing modern animal husbandry buildings, introducing progressive technology and mechanizing production processes. But despite this, mean productivity is increasingly inadequately and the net cost of production is high. It is logical to ask why the resources devoted to new techniques and technology don't always produce greater results. The livestock breeders would answer in this way:

"No world breeds or modern buildings can guarantee the necessary increase in production if the animals are not fed well."

And they are right.

Concern for feeding the animals in general -- and especially this winter when the drought has severely decreased even the natural reserves of hay and straw -- led us to discussions at the Fodder Institute in Pleven. Founded in 1954 with the task of resolving the problems of fodder production in Bulgaria scientifically, the group works on a program that encompasses all the issues connected with the selection, cultivation, harvesting, evaluation and conservation of fodder, with the aim of ensuring high yields. The managers maintain that, if 70 percent of the technological developments proposed by the institute were achieved, the production of fodder in the country would increase by 50 percent. And in those areas where managers and specialists have made a timely evaluation of the significance of these developments and recommendations, as in the okrugs of Rusen, Tolbukhin, Silistra and Razgrad, there are no longer any problems in animal husbandry. In the Silistra okrug, for example, a model sowing of alfalfa was introduced on 500 acres of

irrigated land, which in the course of 4 years has yielded 400 to 450 kg of hay per acre. This experience has been repeated by the agroindustrial complexes in the towns of Levski and Elin Pelin. The integrated model "land -- the end product", which was developed at the institute, was put into practice in the Tolbukhin okrug, and the fodder problem was resolved once and for all. Application of this model brought fodder production to a level that ensured the maximum use of the resources of varieties, land and the material and technological base.

Unfortunately, on the whole, fodder production in the country is still up in the air. Unlike wheat, corn, sunflowers, sugar beet, vegetables and other tended crops, for which land is set aside in advance and cultivation technology is strictly preserved, fodder is sown on left over, unoccupied, generally poor, unirrigated land. Moreover, very often the agroindustrial complexes do not have the opportunity to choose varieties. This is particularly true for grass seed. Until 10 years or so ago, we had quota instruments that encouraged the production of grass seeds. Today, for some unexplained reason, the preference is toward imports. So despite the advantages of locally produced varieties, which have been documented by the institute, and despite the proposals for returning to natural bonuses in agriculture as an incentive for this activity, the instruments are still lacking, and we continue to import expensive seeds that are unsuitable for our conditions. Many more developments for cultivating fodder crops of interest to Bulgaria are included in the program at the Pleven institute. As a result of a 4-year research effort, the group has proposed improved technology for the yield of corn silage. Varieties are produced here that can rival the best in the world, like the Pleven No. 10 pea, for example.

"Mean yields of fodder in Bulgaria are low not because we don't propose new varieties but above all because these crops are underestimated." These are the observations of senior scientific associate and candidate of agricultural sciences Zakhari Georgiev, Deputy Director of Introduction. "Fodder production is neglected, both when it comes to distribution of fertilizers and when it comes to the delivery of irrigation and harvesting technology."

In practice, there are many examples that provide scathing demonstrations of the negligent attitude toward crops that affect the efficiency of animal husbandry. I am tempted to recall that the salaries of the animal breeders depend on their production rate and, for its part, production is directly related to feeding. The bread on our tables does not really depend on this puzzle, but the puzzle decides how many and what sort of animal products we shall have, which is no less important than bread. And if we consider the sorry state of the natural meadows and pastures today, occupying 3.75 million acres...

Harvesting and conservation of bulky fodder is the second serious problem in the large and complicated puzzle. Since:

"With improper harvesting and conservation, up to 60 percent of the nutritional value of the fodder produced can be lost". These are the words of the Director of the Institute, senior scientific associate and candidate of agricultural sciences, Olga Bozhinova. "And here, the availability of

qualified personnel, the material and technological base, and smooth organization are of primary importance. We need an evaluation system for the fodder that will permit workers in fodder production to be paid according to both the quantity and quality produced, so that greater personal interest is created and more and better quality fodder produced. Such a system has been created but its introduction is also underestimated."

Very often in Bulgaria you can see bales of hay and straw in the fields, waiting for good weather to be harvested. But often the rain beats the people. And when fodder is stored wet, nearly 80 percent of it may turn out to be unsuitable for animal feed. It is clear to all agricultural managers and specialists that "we have to beat" the rain, but responsibility for the delay has still not been assigned. But is that all? The group has proposed developments, that ensure total conservation of the crude, voluminous fodder produced. Some farms still admit large losses. It is very basic to ask: when, if at all, will the new technologies be introduced in those areas where, due to negligence, lack of will or poor organization, the yields are five times lower than optimum, and rotten food is put into the animals' mangers for want of better. Every spring the lack of fodder is sorely felt.

The March plenum of the CK of the BCP emphasized: "The second fundamental direction for development of animal husbandry is connected with reaching a decisive turning point in the production of fodder and the introduction of modern feeding systems." Discussions at the Fodder Institute in Pleven, prompted by concerns for feeding the animals this winter, did not answer all the questions connected with reaching this turning point. But they showed that, with a better approach and a greater will on the part of all managers and specialists concerned, we have in our hands, even now, the solutions to achieve much, much more.

12907

CSO:2200/73

AGRICULTURE

GERMAN DEMOCRATIC REPUBLIC

## EFFICIENT USE OF FARM TRANSPORT, STORAGE FACILITIES URGED

### Reduced Energy Consumption

East Berlin AGRARTECHNIK in German Vol 36 No 2, Feb 86 pp 51-53

[Text] On 6 and 7 February 1986 the Professional Association Agriculture, Forestry and Food Technology of the KTD held in Halle a scientific-technical meeting on important current and future questions regarding the organization of transport, circulation and storage processes in agriculture. Problems discussed dealt, on the one hand, with management, planning and organization of TUL processes, and on the other hand TUL means and their consistent utilization were presented.

In cooperation with the Institute for Energy and Transport Research Meissen/Rostock we have selected a few interesting contributions on the program of this meeting for publication here, and these selections will be further augmented through articles appropriate for the topic.

With approximately 10 percent of the total production expenditure (production consumption) the expenditures of the Association for Regional Changes of Farms and Persons are an important intensification factor of the national economy [1]. A very important part of these expenditures are those on energy. With a share of approximately 15 percent of of the consumed energy, two thirds of this in diesel fuel, the transportation system is one of the principle energy consumers in the GDR national economy [2]. Focal point of interest in the transportation system and also in other transportation dominated sectors of the national economy was on lowering transportation energy consumption. Thus, in the past year, the growth in industrial goods production of the national economy by 180 percent could be achieved, with an increase of transport performance in domestic transport--including intra-work transport services--by 130 percent, with an energy consumption showing an absolute decrease to approximately 81 percent.

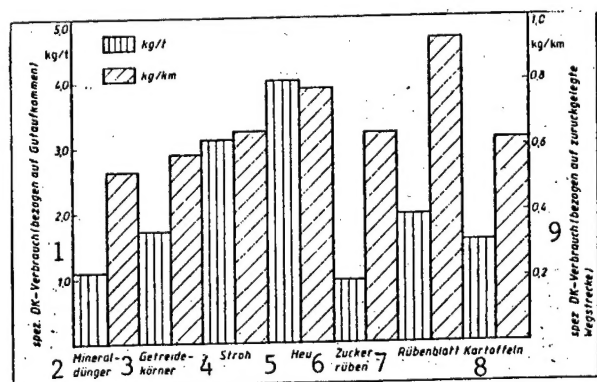
In the GDR intensive efforts are made to reduce considerably the transportation needs of the national economy and the use of liquid energy carriers, and the tasks of decreasing transport energy expenditures are concentrated in three main directions [3]:

- reduction of transportation needs
- decrease of specific energy consumption
- substitution of liquid energy carriers.

Analogous are the situation and goals in agriculture, forestry and the food industry. This sector is the biggest energy consumer in the GDR national economy. Here, agriculture consumes about 60 percent of the energy needs. Considering the total energy carrier structure, almost one fourth of the energy consumed goes to liquid energy carriers, about 23 percent of this to fuel. To a considerable degree, diesel fuel is needed for transport, circulation and storage processes (TUL processes). The transportation process itself uses up about 53 percent of this. (5 percent of the DK [diesel fuel] is required for circulation processes. Especially intensive in energy and materials consumption are the transport processes in crop production (production on widely spread acreages). Here, about 80 percent of agriculture's diesel fuel is consumed. Expenditures vary greatly for individual processes and firms (Table 1, Figure 1).

Processes	Total Expenditure		Share in Percent	
	(kg/ha)	(kg/dt GE)	TUL	Transport
Grain Crops	90.7	2.28	36.52	32.61
Potatoes	257.2	5.39	60.97	55.15
Beets	349.5	3.16	69.23	61.09
Rough Feed (Field)	116.7	2.53	61.46	58.20
Rough Feed (Meadow)	53.1	1.23	44.71	40.10
Seed Grain	76.2	2.21	41.80	36.09
Fruit	279.2	2.68	32.78	30.22
Vegetables	331.6	6.97	36.40	32.49
Total Crops	115.8		51.66	46.97
Feed	4.1		100.00	95.89
Other Transport	1.47		100.00	89.98
Total Agriculture	143.8	2.88	57.98	52.75

Figure 1. Specific Expenditures for DK for Transport and Circulation of Selected Kinds of Farms



1. Specific diesel consumption (in relation to farm output)
2. Mineral fertilizer
3. Grain
4. Straw
5. Hay
6. Sugar beets
7. Beet leaf
8. Potatoes
9. Specific diesel consumption (in relation to distances covered)

Clearly recognizable are the great differences in absolute and relative energy consumption for individual processes. Greatest expenditures, and therefore greatest savings potentials, go to hoed fruits. In the LPG (P) Grumbach-Kaufbach, Dresden bezirk, the central consultation point for "economical transport and energy use," the share of DK used for transport and circulation amounts to 46 percent. With consideration of other energy carriers, such as carburator fuel, solid fuels and electric energy, the share of for TUL in total energy consumption rises to more than 50 percent.

DK expenditures for TUL processes generally vary between 40 and 60 percent in crop production enterprises.

In the LPG (P) Grumbach-Kaufbach, which has a high level of production, DK consumption was decreased within 5 years (1980 to 1984) from 3.20 l/dt GE to 2.38 l/dt GE, i.e. by more than 25 percent. This was achieved primarily by lowering TUL expenditures (Table 2). In this LPG TUL expenditures should then also have been brought to the level appropriate to the needs of society. Similar results have been achieved in other enterprises in other places of the GDR. Too large, however, are still the differences between individual enterprises, counties and bezirks with approximately equal natural and economic production conditions. Very good results have been achieved in Karl-Marx-Stadt bezirk, especially through application of DK normatives for specific acreages. In the following paragraphs, some possibilities of saving material and energy are to be discussed.

Table 2. Development of Production and DK Consumption in the LPG(P) Grumbach-Kaufbach

Jahr 1	Produktionsverbrauch 2	3	GE-Produktion	spezifischer
	DK	DK/ha LN	dt/ha LN	DK-Verbrauch
				l/dt GE
1980	1 165 998	185,1	57,62	3,21
1981	1 150 808	182,7	61,10	2,99
1982	958 461	152,9	62,92	2,43
1983	1 019 779	162,7	65,00	2,50
1984	1 019 000	162,5	68,40	2,38

1. Year
2. Production consumption
3. GE production
4. Specific DK consumption

### Reduction of Transport Needs

Transport needs are the result of transport tasks, and are independent of transport management. Transport expenditures arise during transport management and depend on transport needs and the ways and methods in which transport is performed. The generally used term of transport expenditure must be considered as the category above the other two terms mentioned.

Transport expenditures are influenced by a hardly surveyable number and variety of influence factors. The following factors influence transport performances at hand and thereby the absolute size of transport expenditures:

- concentration of production, storage, manufacturing and processing
- intensity of production



- organization of production
- site distribution of production, storage, manufacturing and processing.

Of relative influence, i.e. of influence on transport expenditures alone, are:

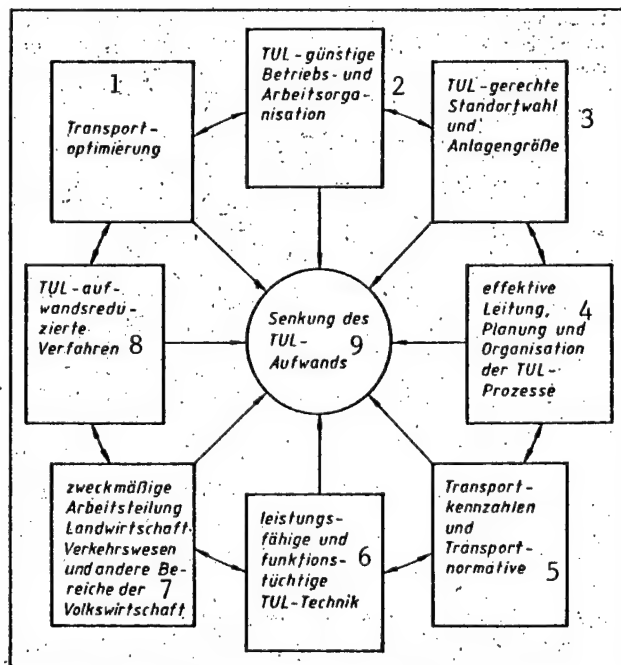
- natural production conditions
- organization of production processes
- structure and condition of TUL means
- qualification of TUL employees
- transport prices.

The following factors can contribute in principle to decreasing energy expenditures:

- decrease of transportation needs, i.e. reduction of transport amounts and distances;
- better utilization of existing TUL means, and their appropriate development in regard to capacity, structure and age.

There are many ways and possibilities to make these factors effective. They are by nature technical, technological and economic, and are of different importance and effectiveness. If the basic ways of lowering transport expenditures are evaluated, i.e., the decrease of transport volume and distance, and means of economising through application of technical, technological and economic measures (Figure 2.), the conclusion is reached that the possibilities best utilized are those the application of economizing measures. Only very insignificant are the effects achieved by decreasing transport distances.

Figure 2.



1. Transport optimalization
2. TUL-friendly production and work organization
3. TUL-appropriate site selection and plant size
4. Effective management, planning and organization of TUL processes
5. Transport indicators and normatives
6. Effective and functional TUL technology
7. Appropriate work assignment in agriculture, transport and other sectors of the national economy
8. TUL expenditure reduction processes
9. Decrease of TUL expenditures

## Lowering of specific Expenditures in Material and Energy

Specific energy expenditure in transportation is the relation between energy expenditure in J and transportation work in ton/kilometers (t/km). The following ways to lower specific energy expenditures are given special attention:

### Practical Conceptions and Constructions of TUL Means

This possibility is related to the engine, chassis, loading spaces (superstructures), work components and work elements.

If, e.g. for raw feed instead of the traditional harvesting and transport processes, i.e. with shredder and truck or with tractor-trailer combination, the loading truck is used that has already found wide-spread international use, the specific DK consumption can be decreased up to 50 percent according to intensive tests made last year. Likewise, through optimal construction of transport loading space, especially for the transport of so-called light goods of approximately 400 kg/m<sup>3</sup> density as well as for the unified superstructures, already in construction, for truck models W 50 and trailer models HW 80 and HW 60, specific energy expenditures can be reduced up to 25 percent. If, for transport on unfirm surfaces, i.e. on the field (10 percent of the total transport distances, for green feed and other harvest transport even 15 to 25 percent), saddle trailers are used for tractor transport, energy expenditures can also be lowered.

Other constructive details, like equipping trucks with attachments that will reduce air resistance during speeds above 60 to 70 km/h, can result in fuel savings of 2 to 3 percent [4]. A similar result can be obtained by equipping trucks with automatic speed regulators with which, depending on the specific type of vehicle, DK savings of 2 to 3 1/100 km can be realized [4].

### Practical Structure of TUL means

TUL means have practical structure if they correspond to use and performance characteristics in the respective work places. Thus it would be practical to do a large portion of transport work with trucks where the specific average DK consumption is 20 percent lower than with tractor transport. But today, and certainly also in coming years, more than 50 percent of the total transport distances covered, or about 30 percent of the transport volume, must be performed by tractor-trailer combinations.

Therefore, the trucks currently available must be used with maximum efficiency. This must be supported in agriculture by transport methods involving the shifting of transport from road to rail or canal because the comparable relation of specific energy consumption between railroad, ship and road transport is about 1:0, 7:, 9. The choice of circulation means and organization is likewise decisive for energy consumption. Tests conducted for specific circulation methods and goods have shown that for bulk freight there is a specific energy consumption of from 0.55 to 1.68 kWh/t during crane loading, as compared to 0 for heavy freight loading [5]. This is important for agriculture when the circulation of grain and mineral fertilizer is being considered.



## Effective Use of Transportation Means

Factors contributing to decreasing specific energy usage are, among others, the technically appropriate coordination of trailers and trucks, driving methods and maintenance measures.

The principles of energy saving driving methods are:

- engine warm-up after starting
- careful driving, avoiding sudden braking and acceleration
- shifting into next higher gear, when possible, in order to avoid high rpm rates
- using all-wheel drive only on bad driving surfaces, regular on firm and dry roads
- decreasing driving times by cutting down on slipping, and for that purpose using all facilities offered by manufacturer (all-wheel drive, differential locks, choice of tires, choice of gears, traction reinforcer)
- shutting off engine during breaks and work-related pauses
- effective loading of vehicles--driving with trailer

The following maintenance measures are to be observed:

- regular changing and cleaning of air and fuel filter
- regular testing of fans that operate on temperature changes
- testing all fuel line seals
- using radiator protectors in winter and parking vehicles in garages, when possible
- maintaining battery and starter especially well
- controlling tire pressure.

## Substitution of Liquid Energy Carriers

The substitution of liquid energy carriers is a strategic task for the national economy and thereby also for agriculture. Substitution has special importance for transportation because here much diesel fuel is consumed and relatively good conditions exist here for the use of alternative fuels. In the public transportation sector in general the share of liquid energy carriers amounts to about 87 percent [3], in agriculture to almost 100 percent.

The transportation system has achieved substitution of liquid energy carriers through electrification of the railroad network and the use of available technical gases. On the basis of domestic development of liqued gas plants in automobile construction, 5 000 vehicles--mostly taxis and driver training cars--were rebuilt until 1985.

The use of gas as fuel will be important also for agriculture in the future. Biogas, consisting from 60 to 70 percent of methane and from 30 to 40 percent of carbon dioxide, is an appropriate fuel. One technical difficulty is effective storage of biogas in the vehicle. Compressed biogas (CNG) is stored in the vehicle in pressurized tanks under 20 MPa pressure. Disadvantages here are the bulk of the tanks and the short driving range. These disadvantages can be overcome to a large extent through the use of liquid LNG gas.

LNG gas driven vehicles achieve a from 50 to 70 percent degree of primary energy usage. The price of LNG gas produced from biogas already corresponds in some countries to that of gasoline or diesel fuel so that in the future LNG fuel could be an economic alternative.

In summary it can be said that during the last few years great efforts have been made in transport, circulation and storage processes to save energy. Lowering TUL expenditures is the decisive way to accomplish this.

#### Bibliography

- [1] Rose H: "Decreasing Energy Consumption for Goods Transport of the Producing Sectors of the National Economy." Key Address at the 11th international conference on industrial energy consumption 1984 in Berlin.
- [2] Peetzold W; Hahn D: "The Development of Transportation Performance and the Balancing of its Branches." GDR TRANSPORTATION, Berlin 16 (1983) 2, pp 34-37.
- [3] Woestenfeld D: "Saving Transportation Energy--An Important Concern of the Transportation System and Industry." Address at the 11th international conference on industrial energy consumption 1984 in Berlin.
- [4] Thiele G: "Economizing Measures for Decreasing Specific Fuel Consumption in GDR Goods Transport by Truck." Address at the 11th international conference on industrial energy consumption 1984 in Berlin.
- [5] Grossmann G; Trettin H: "The Further Development of Practical Transport and Circulation Processes, and Its Evaluation from the Point of View of Energy and Economy." Address at the 11th international conference on industrial energy consumption 1984 in Berlin.

## Measures for Reduced Transport

East Berlin AGRARTECHNIK in German Vol 36 No 2, Feb 1986 pp 53-55

### 1. Introduction

The highly mechanized and intensive agricultural production of the GDR objectively requires a considerable transport and circulation expenditure. It is the result of the concrete conditions of agricultural production and has a decisive influence on the stability and effectiveness of production. After all, transport and circulation are responsible for about half of the expenditures on work time and DK as well as on one third of production costs. Accordingly, these processes play an important part in lowering production requirements initiated during the intensively expanded reproduction in the 80's. They are a principal object of socialist rationalization. Transportation expenditure (analogous to circulation expenditure) is in the following considered the category of two measurable quantities:

- transport demand which is relatively independent of transport performance and is the result of production and consumption;
- transport expenditures which arise from transport performance and are the result of demand and transport realization method;

Knowledge of these two quantities is a basic condition for economical organization of transport and circulation. This is true for individual enterprises and for the agricultural sector in general.

### 2. Transport and Circulation Demand

Transport demand in agriculture (including delivery and shipment transports by road) amounted in recent years on the average to

- 350 to 360 million t/a in farm output
- 420 to 430 million t/a in transport volume
- 3.3 to 3.4 billion t km/a in transport performance

Of this about 35 to 40 million t/a was transported by public transportation. Thus the specific average transport volume in GDR agriculture amounts to 60 to 65 t/ha LN with variations from 40 to 85 t/ha LN for specific enterprises. Of this amount, depending on transport organization, growing structure, yield level, kind of organic fertilizer, use of products etc., 30 to 70 t/ha LN go to crop production and 10 to 15 t/ha to livestock production. Raw feed, straw, organic fertilizer generally comprise 70 to 80 percent of the transport volume [1].

The proportions among different kinds of transported goods make clear that, in addition to crop products, raw feed as well as organic fertilizer and other goods have especially high shares in transport volume (Table 1).

Table 1. Farm Output, Transport and Circulation Volumes According to Farm Category

Farm Category	Farm Output (Percent)	Transport Volume (Percent)	Circulation Volume (Percent)
Crop Products	39.4	44.2	39.8
Grain	2.7	3.1	2.3
Potatoes	3.9	7.1	4.2
Beets	3.5	5.3	8.5
Fruit/vegetables	0.4	6.8	0.6
Rough Feed	24.2	23.5	21.9
Dry Feed	4.1	3.6	1.2
Livestock Products	3.9	3.3	--
Organic Fertilizer	33.3	31.5	38.7
Mineral Fertilizer	3.1	4.4	7.7
Other Goods	20.3	16.6	14.0
Total	100.0	100.0	100.0

\*Including seed and plant goods

Circulation demand is caused by the chageover of goods from one form of operation to another. Quantitatively speaking it consists of the following:

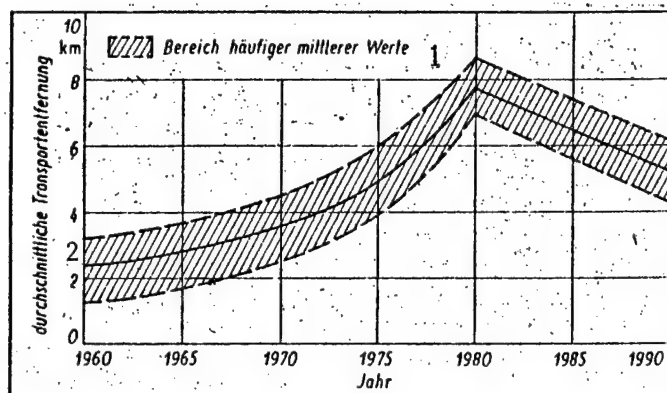
- 16.7 percent loading operations with harvesting machines;
- 23.1 percent loading operations with mobile circulation means;
- 20.5percent sitechangesandstoragewithmobilecirculation means;
- 39.7 percent unloading of transport means 95 percent of which must be done by the transport means themselves.

Of primary interest in the total circulation spectrum is the circulation performed with mobile circulation means (mobile loaders, tractor loaders, front loaders, conveyors, auxiliary equipment). This amounts to about 45 percent of the total circulation volume.

The farm goods structure of this circulation demand (Table 1) shows that its main components are crop products and stable fertilizer with about 40 percent each.

Site changes and storage of goods has just about the same quantitative value as the loading of road transport means. Mobility and universal applicability of circulation means, especially through quickly interchangeable goods receiving equipment, are therefore basic conditions for circulation in agriculture. In 1980 the average transport distance was about 7.8 km in crop and livestock enterprises, and about 8.6 km in cooperatives whereby average distances in enterprises were between 5 and 15 km. With the development of LPG and VEG into efficient enterprises and cooperatives, and with the continuous increase in production, distances increased between 1960 and 1980 in exponential sequence (Figure 1).

Figure 1. Development of Average Transport Distances in GDR Agriculture



1. Field of frequent average quantities
2. Average transport distance

Other decreases are necessary and possible which can be realized primarily through long-range measures. Here it must be noticed that the amounts of possible reductions become smaller and that an asymptotic progression toward zero is to be expected. In the coming years, average distances for the foreseeable production and territory structure in agriculture will stabilize at 5.5 to 6 km.

The absolute transport performance to be achieved has increased 6 times since 1970. This means that today it is among the production expenditure amounts relevant to the national economy. This fact must be considered in the efficient organization of transport and circulation processes. The agricultural goods that require the greatest share of transport performance are rough feed (21 percent), liquid manure (16 percent), potatoes (13 percent), livestock and livestock products (10 percent). Crop products require about 50 percent, about half of which is transport from the field [2]. These requirements must be considered especially in the technical organization of transport and circulation means.

### 3. Transport and Circulation Expenditures

The developed state of intensive agricultural production objectively calls for high transport demand. This in turn results in large absolute transport expenditures. From these follow the expenditure shares shown in table 2 if the total transport and circulation volume in agriculture is considered, i.e. transport in construction and improvement operations etc., as well as the second transport level.

Table 2. Expenditure Shares for Transport and Circulation in Agriculture (1)

Tafel 2. Anteil der Aufwendungen für Transport und Umschlag in der Landwirtschaft

	2	Aufwendungen lebendige Arbeit	DK	3	Verfahrenskosten der Pflanzenproduktion
		%			%
Transport		42	53	36	
Umschlag	4	20	5	7	
sonstige Arbeiten der Pflanzenproduktion		38	42	57	

2. Live work expenditures
3. Crop production processing costs
4. Transport, circulation, other crop production work

Detailed analysis showed that expenditures vary widely for different processes but are never negligibly small. The often neglected second transport level also results in considerable expenditures in almost all processes. The absolute volume and differentiations in the processes, e.g. in relation to live work (table 3) or DK [2] show clearly that a differentiated approach is necessary and that, in principle, transport and circulation are decisive for the total expenditures of an enterprise. From this results their important role in the organization of a unified reproduction process. The economical organization of transport and circulation must always be conceived in a way that, starting with highest yields and performances, transport expenditures become minimal for each distributable final product. This includes measures that aim for production increases without changes in transport expenditures.

Table 3. Specific Expenditures and Transport Shares in Different Processes (calculated) (1)

Tafel 3. Spezifische Aufwendungen und Anteile des Transports in den Verfahren (kalkuliert)

Verfahren	2	3	Aufwand an lebendiger Arbeit		
			Verfahren gesamt	Anteile Transport	Umschlag
			AKh/dt GE	%	%
Druschfrüchte			0,71	34	33
Kartoffeln			1,64	44	24
Rüben	4		1,63	27	6
Ackerfutter			0,57	59	8
Obst			3,32	12	4
Gemüse			3,41	22	6

2. Processes
3. Expenditure in live work (total--transport--circulation)
4. Grain and husked fruit, potatoes, beets, field feed, fruit, vegetables

#### 4. Estimate on the Status of Measures to Lower Transport and Circulation Expenditure

The status of implementation of these measures in the enterprises and the effects attained vary widely. In summary it can be said that many initiatives were opened up and that in many cases transport rationalization programs showed considerable results. This primarily involved measures that could be realized in a short time. Focal points were:

- decrease of transport distances by observing territorial of production and work organization, as well as transport optimizations;
- measures applied to transport technology in order to decrease transport expenditures;
- measures of production technology and economization.

Through the consistent implementation of measures, e.g., savings of about 20 kt DK could be achieved in 1984 in the central transport rationalization program [3].

The important question now is to consolidate achievements and guarantee them also under unfavorable reproduction conditions. In order to achieve these goals it is especially mandatory to implement additional industrial and technological measures by incorporating transport rationalization consistently into performance activity. In this process, continuous planning and accounting are the condition that will make available firm decision bases for every achievement level. The Institute for Energy and Transport Research Meissen/Rostock is currently preparing on-site programs for office computers that will make effective mastery of these problems possible. It is expected that this will also result in qualitative progress in optimizing transport in agriculture.

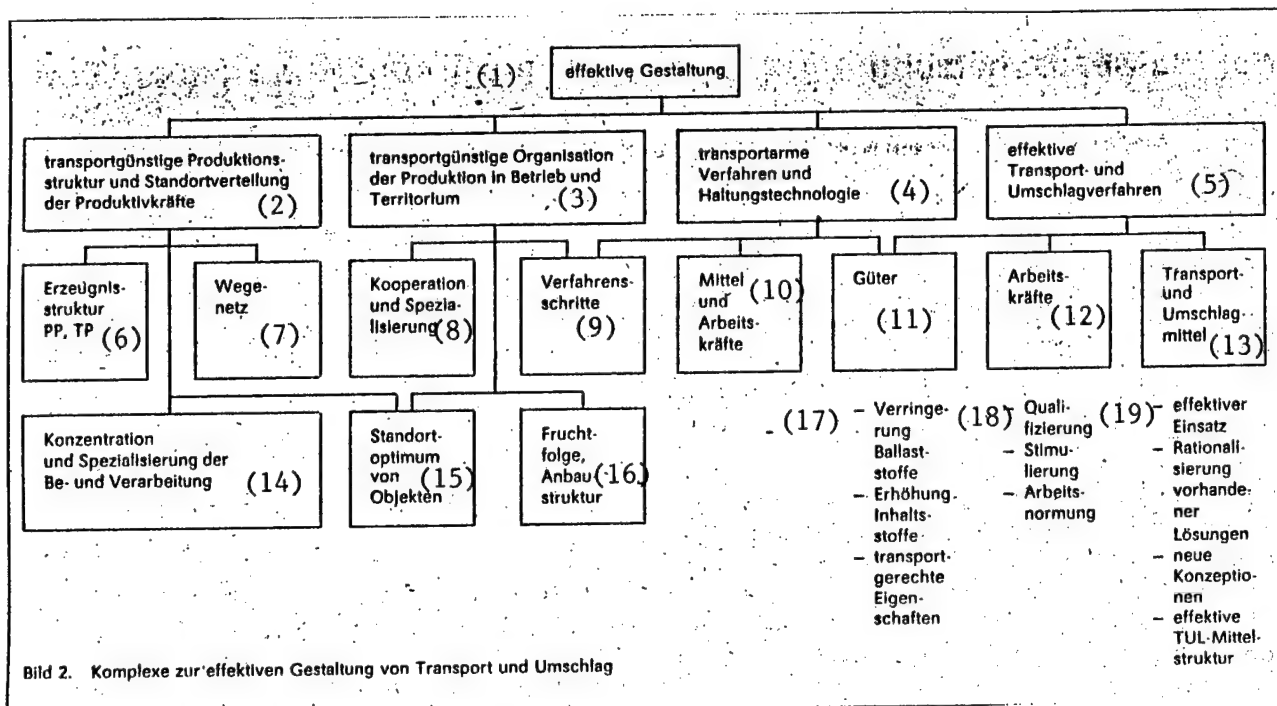
#### 5. Conclusions on Decreasing Transport and Circulation Expenditure

The problem of economical organization of transport and circulation in agriculture in general and in individual enterprises includes the following points:

- to determine and perform the kind of transport that is actually meeting the needs of society (i.e. to maximize total production results), and
- to satisfy this transport demand needs of society with high quality work, especially in regard to energy consumption.

From these general goals follow diverse conclusions, ways and measures for effective organization of transport requirements. They can be arranged in four groups (Figure 2).

Figure 2. Groups Demonstrating the Effective Organization of Transport and Circulation



Key:

1. Effective organization
2. Transport-friendly production structure and site distribution of production forces
3. transport-friendly organization of production in enterprise and territory
4. Methods and technological attitudes conducive to transport deficiency
5. Effective transport and circulation methods
6. Production structure
7. Road network
8. Cooperation and specialization
9. Operating steps
10. Means and work forces
11. Goods
12. Work forces
13. Transport and circulation means
14. Concentration and specialization of manufacturing and processing
15. Optimum site of facilities
16. Crop sequence, growing structure
17. Decrease of dead weight; increase of essential weight; qualities appropriate to transport
18. Qualification, stimulation, work norms
19. Effective use, rationalization of available solutions, concepts, effective TUL intermediate structure



Basic ways and their possible effects as well as many different measures have already been discussed in publications [1,4,5]. These focal points have the same validity as before whereby short-term measures, mostly of technical nature, have been initiated in many enterprises. Additional measures must increasingly shift attention to long-range measures, mostly of economic and technological nature. The following focal points should be mentioned:

- additional implementation of the territorial organization of production;
- enforced incorporation of transport and circulation into planning, accounting and stimulation;
- stronger utilization of transport optimization methods as continuous instrument for performance decisions;
- qualification of mechanics in regard to transport economy minded attitude and energy conscious action;
- additional development of transport, loading and unloading groups, and best possible utilization of energy friendly transport carriers.

The multitude of technological measures is concentrated in the following focal points [5]:

- reduction of transport volume (decrease of liquid manure, of dry content proportions, decrease of mixes, etc.);
- observation of agro-technical time schedules (especially in order to decrease DK expenditures);
- proper loading of available freight and tractor power (appropriate machinery, dual trailers, etc.);
- covering raw feed demands from own cooperative territory (guaranteeing and increasing yields, decreasing production --losses, etc.);
- decreasing transport time (reducing time losses, avoiding use --empty vehicles, improving road surfaces, etc.).

The importance and value of these points in regard to their effectiveness vary according to individual enterprises. Objectively, they are usually the starting point of new considerations and must lead to complex measures so that transport and circulation rationalization will not remain limited to individual objects.

## 6. Summary

Transport and circulation demands as well as the resulting expenditures in GDR agriculture have been presented and discussed. On this basis, and after a survey of the general status of transport and circulation expenditures, some basic conclusions were drawn regarding future work in this field. They concern primarily measures involving business practices and technology which must be implemented in the future. A focal point here is the inclusion of transport and circulation in the planning and accounting process according to their objective position in the reproduction process.

## Bibliography

1. Ehrlich M; Huhn W: "Transport Expenditures in GDR Agriculture and Focal Points in Their Reduction," GDR-TRANSPORTATION", Berlin 18 (1985)1,pp8-11.
2. Huhn W; Wressnig G: "Quantities Affecting DK Consumption in Transport Processes, " AGRARTECHNIK",Berlin 36 (1986) 2 pp 81-84.
3. Janetzky B: "Transport Rationalization in Agriculture--Conditions, Experiences, Results," Work manuals of the Institute for Energy and Transport Research Meissen/Rostock 1985 (unpublished).
4. Muehrel K: "Ways, Possibilities and Measures for Reducing Expenditures for Transport, Circulation and Storage Processes in Agriculture, AGRARTECHNIK, Berlin 33 (1983) 8 pp 338-341
5. Muehrel K and others: "Reduction of Expenditures in Transport, Circulation and Storage Processes." Markkleeberg: Agra Brochure 1983.

8889

CSO: 2300/217

ECONOMY

CZECHOSLOVAKIA

# WORK ON DANUBE DAM LAGGING BEHIND

Bratislava PRAVDA in Slovak 14 Dec 85 p 1

[Text] Gabcikovo--The builders of the Gabcikovo-Nagymaros water dams on the Danube adopted a joint socialist pledge at their October aktiv. The Hydro-construction Enterprise (Hydrostav) in Bratislava, Vah Construction Enterprise (Vahostav) in Zilina, Transportation Construction Enterprise (Doprastav) in Bratislava, and the suppliers of technology, namely, the CKD Plan in Blansko and Vitkovice and the Metallurgical Assembly Works in Ostrava, pledged at this aktiv, together with the planning and investment organizations, to put into operation the first hydroelectric power plant at the beginning of July 1990 and the last one at the end of March 1992.

Before that, however, they must complete the construction and assembly of the technological facilities at the hydroelectric power plant needed for bringing water to Hrusov dam and the feeder canal. The deadline for this stage of the project is the end of 1989. The pledge notes that in this commitment is a general statement and that in order to meet the deadlines, all participants must realize their work through partial annual pledges. Such practice is unusual and, therefore, it is necessary to explain it.

This year, the builders of the Danube hydroelectric plant will not fulfill the planned targets. They estimate that they will be behind to the tune of Kcs 100 million. The admission of this fact and the news about the approved pledge could come as a surprise to some people. "What kind of initiative is this? The builders are unable to meet the plan and at the same time adopt socialist pledges. This is formalism of the worst type," a noninformed reader could say. However, everything has its own justification.

The key to the system of Danube dams is the hydroelectric power plant in Gabcikovo. The achievements of our workers and technicians in this regard has won the respect of the entire engineering community. In 1985, we started to pour concrete into the foundations. However, out of the planned 100,000 cubic meters of concrete only approximately 30,000 cubic meters were poured into the molds. Today, it is obvious that the plan will not be met at all. What is the main reason for this failure? The construction site does not have the necessary imported cranes. The first of these cranes was supposed to have arrived in September. It actually arrived

only in October and additionally it was not complete. "The cranes we are now using at the construction site were originally to have served an auxiliary purpose. Today, however, they perform the main work which, naturally, causes problems," says Anton Vontsemu, head of the metal construction workers' crew.

"If we are to prepare everything on time, we must not only make up for the delays of 1985 in 1986 and 1987 but also to master the long-range tasks. And this will not be easy," says the head of the Hydrostav's concrete-making center, Engr Stanislav Svitok. "However, I believe that we will receive the necessary equipment and workers and that we shall meet our goals," he added.

The biggest share in the failure of meeting this year's plan belongs to the transportation construction workers. The reason? Once again, late deliveries of imported machines and this in spite that the funds for purchasing them were appropriated in September of 1984. The most important machine, the finisher with automatic leveler, reached the construction site--after great effort--only in September. "True, because of this reason we will be able to do work for no more than Kcs 10 million although the plan called for work worth Kcs 110 million. The most important goals are thus being compressed even more into the coming years," the head of the center of the Transportation Construction Enterprise, Engr Jan Leskovsky, informed us.

"On the Black Vah we were able to complete the asphalt work on the banks over 18 months and because of the given volume at that time we considered this to be the excellent achievement in keeping with world standards. On the Danube banks, however, we have to tackle the equivalent of 13 Black Vahs and we have only 3 1/2 years to do that," argues Engr Stefan Krajicek, plant manager of the Transportation Construction Enterprise.

Thus, we are not talking about some kind of everyday task. The workers of the Transportation Construction Enterprise however say that they will master it, especially if they will get the finisher with the automatic leveler.

The workers of the 01 plant of the Vah Construction Enterprise have so far met each of their annual plans. They are building the banks of the feeder canal, drainage canal, and other projects. Even in 1985, they were ahead in many tasks. In spite of all that, however, they have difficulty keeping in step with the planned volume of work. What is the main reason for that? "The shortage of mechanical and transportation means. We are short of 13 bulldozers, 9 excavators, 3 machines for finishing the banks, and I could go on. Hence, we must work with equipment which often breaks down," says Engr Rastislav Zuffa, the plant manager. "In addition, this year we were supposed to start other important work, namely, to insulate the bottom of the feeder canal with foil. In the coming years, we are expected to insulate over 7.6 million square meters. I am talking about work which was never undertaken on such a scale. This year, however, we have not yet received any foil and consequently we could not start the work, and because of snow and moisture we will not be able to do much," adds Comrade Zuffa.

The work on the Danube dams is behind the plan. The builders who face very challenging tasks in the next few years adopted, however, a pledge and want not only to make up for the delays but also master the new tasks. This goal is also supported by the measures adopted at the aforementioned aktiv in October 1985. The workers at the construction site say: "If we have what we need, we will be able to take care of our own difficulties and the first facility will be completed in time." Under the present conditions their pledge--as well as their demands--are fully justified.

1277/9190

CSO: 2400/116

ECONOMY

HUNGARY

#### EXPERTS VIEW ECONOMIC CONDITIONS, PROSPECTS

Budapest KULGAZDASAG in Hungarian No 2, Feb 86 pp 3-17

[Answers of 10 business leaders, top government experts and researchers:  
"Questionnaire Survey of the Hungarian Economy's Present State and Prospects"]

[Text] The editors of KULGAZDASAG submitted a list of questions to 14 business leaders, top government experts and researchers. The questions were as follows:

1. In the period since 1979, what do you regard, respectively, as the greatest result and the greatest shortcoming from the viewpoint of the economy?
2. What do you regard as bottlenecks of the economic reform's evolution, and what are your recommendations for resolving them?
3. In your opinion, what are the Hungarian economy's prospects of halting or slowing down the decline of its position in the world economy under the 7th Five-Year Plan?

As a genre, the possibilities of a questionnaire survey are rather limited. A questionnaire survey is not an interview, in which further clarifications of the questions and answers are possible. Nor is it an article, in which there are opportunities also for more nuanced formulations and for dwelling on details. We requested our respondents to limit their answers to a maximum of three typewritten pages.

We are presenting unedited the 10 replies that came in before the deadline for this issue. Our purpose is to think through--on the basis of the answers to the questions, but now with the participation of our wider readership--the domestic economy's present state, prospect and tasks. We have not attempted to cover all the bases with our three question, nor do we expect the answers to do so. Because of space limitations, if for no other reason. But we hope that the picture emerging from the received and published answers, although perhaps mosaic-like and with contradictions, will contribute toward uncovering and solving our domestic economic and economic-policy problems.

We would like to take this opportunity to thank our respondents once again for their cooperation, and for their interesting and valuable thoughts as well.

Laszlo Antal, deputy director  
Fiscal Research Institute

1. In my opinion, the greatest positive result in the period since 1979 is obvious: through strict financial regulation, we have been able to avoid a real threat of insolvency, and to lead the economy from a state of substantial trade deficits to a state of systematic trade surpluses. I regard this change as secure and permanent, despite the slippage in 1985 and even if the structure of our foreign trade with the CEMA countries will place increasing burdens on our hard-currency balance of payments in the future, and although restrictions, rather than the improved competitiveness of our export, have been playing the main role in our results to date. In any event, this turnaround--a definite one at the time, even though overdue--has triggered several progressive changes (for example: the efforts to break up monopolies, wider room for small businesses, a stricter response to low efficiency, the merging of the industrial ministries, the dismantling of consumer-price subsidies, and the focusing of attention on the question of adjusting to the changes in the world economy) that simply would not have been possible without determination in recognizing the seriousness of the situation and drawing the necessary conclusions. How consistently these changes have been implemented is entirely another matter, one over which we can and must argue. But the fact remains that the economic realism which has replaced the victory bulletins of the mid-1970's, treating the problems more frankly and with less illusion, is what has enabled us to turn completely away from the earlier trend of growing indebtedness, which was hopeless because it only served to delay the conflicts, rather than solve the economy's difficulties.

The greatest shortcoming is, I believe, our inability to control demand and to influence through monetary policy the enterprises' intentions (real capital formation or cash accumulation, more expansion or constriction in their market behavior). As a result, the unavoidable restrictive measures, the strict financial regulations, are limiting not only demand but production as well, disrupting relations between partner enterprises (coproduction relations, for example), impeding and at times definitely paralyzing the processes of adjustment. This simultaneously compels more and more frequent modifications of the regulators, and operational interventions, which cloud the enterprises' foresight. Thus there is an ever-wider gap between the intentions of the economy's managers, a movement toward entrepreneurial business activity willing to assume healthy risks, on the one hand; and a practice of economic management that employs more and more operational instruments and is undermining the mutual trust between the managing apparatus and the enterprises, on the other.

Another weak point is our inability to disinvest or cut back in areas that are uneconomical; or more accurately, our unwillingness to accept the conflicts that would arise. I regard as a question of fundamental importance the enactment of a bankruptcy law, but we must also recognize the fact that in a few concentrated areas (in the so-called ailing sectors, and at some of the giant enterprises which have been coping with serious problems for years) strict and unambiguous top-level decisions will be necessary, because impersonal financial mechanisms will not solve this problem.

2. As a key question of the reform process I regard, on the one hand, the development of a capital market, emphasis on the role of macroeconomic monetary



regulation, and enforcement of strict consequences--perhaps even the firing of the managers in some cases--for failure to maintain enterprise liquidity. In regulation (and not only financial regulation), on the other hand, we must develop the state's self-imposed restrictions, strong guaranties. It must be made perfectly clear what effects state intervention will have, which of the regulators can be changed in accordance with the market's logic (interest rates and the exchange rate, for example), within what order of magnitude may financial provisions be attached to cabinet or ministerial decisions (subsidies or development-fund grants), and what kinds of changes require society's participation and National Assembly approval. Important in this respect is also the safeguarding of the enterprises' rights by the courts. To my mind, the difference between enterprise independence and enterprise autonomy is that independence is authority delegated by the economy's managers, and therefore they may change how much room for maneuvering it provides (and here also the risk, the benefit or drawback, of the decisions applies only to a limited extent); whereas enterprise autonomy is based on firm social guaranties. And if we suddenly want the enterprises to assume a much larger share of the risk of their decisions--for that is what we are now doing, not only through liquidation, but due also to the fact that situations may arise in which an enterprise, for example, is forced to reduce wages or shed its work force, making it more likely that the enterprise's chief executive will lose his job--we can successfully do so only if there are firm guaranties to ensure the enterprises' room for maneuvering. (This is another, or perhaps the primary, reason why I favor any change in the tax structure--VAT, and a progressive personal income tax--that would replace the taxes now paid by production enterprises with new types of taxes which simply cannot be differentiated by enterprises.)

What is lacking for the realization of such a program is not so much an awareness of its need, for practically all its elements can be found also specifically in the Central Committee's resolution of April 1984. As I see it, the danger lies elsewhere. In recent years, while we were debating attractive and sometimes even radical changes, a practice of operational management has been built into the economy and has become its integral part. Administrative and semiadministrative instruments, as well as very frequent, and sometimes retroactive, changes play a significant and increasing role in this practice of operational management. The economic subjects have become accustomed to this and have learned to live with it. The government is aware that the decline of the Hungarian economy's position and competitiveness in the world economy can not be prevented in this manner, but the distressing day-to-day problems may relegate into the background the important long-term but immediately not so pressing problems. As a result, the statements regarding the economic reform's continuation are cautious, with less emphasis on "doing something else," on the need to accept the conflicts in the interest of abandoning some aspects of the accustomed decision-making practice, and on aiding the realization of the results that are to be achieved. Public opinion--and the younger generation in particular--regards reform as a somewhat hackneyed objective, due in part to the bumpy course of the reform process, and in part because what this seems to be all about to many people is merely letting the consumer foot the bill for the problems of economic policy (including its mistakes).

As a result of all this, the reform process today does not yet have the internal drive and determination that were perceptible in 1965-1968. Thus there is



real danger that much of our objectives will seemingly be accomplished, but somewhat differently than we expected. It is not yet clear whether we will preserve the earlier practice of economic management while trying to abolish it, or will abolish it while trying to preserve it.

3. I regard the prevention of the decline of the Hungarian economy's position in the world economy, and the realization of the 7th Five-Year Plan's qualitative goals as questions of economic reform. We can gain more resources neither through increased investment (which would undermine our solvency) nor by attracting operating capital (which is useful, but not enough to give the economy a boost), only by dismantling--gradually, yet simultaneously in every area--economic management's obstacles limiting the economy's activity and adaptability, by developing a long-term profit (or capital) incentive, and by disinvestment in areas that are uneconomical.

Tamas Bauer, senior scientific staff member  
Economic Sciences Institute of the Hungarian Academy of Sciences

1. There are two things I have to discuss, and they differ in their nature. If you are asking what has been the most progress-foreshadowing change in our economic institutions, then I would attribute the greatest significance to the introduction of the new forms of small businesses. When the 1968 economic reform was being elaborated, Hungarian economists had not yet recognized that small enterprises, along with the big ones, are indispensable in a modern economy, and that in the long run there would be a need for a third sector as well, in addition to the traditional cooperative enterprises. (The ancillary activities of the agricultural cooperatives "spontaneously" became the first domestic form of small businesses, in the late 1960's and early 1970's.) The view that "small is beautiful" gained acceptance in Hungary in the 1970's, from the unfavorable experience of restricting farming on household plots. The new forms of small businesses are an extremely important experiment to develop a solution that is a cross between private ownership and state or cooperative ownership, one under which the independence and incentive reminiscent of private ownership will not come into irreconcilable conflict with the system's basic structure even when the business is bigger than an artisan's shop or retail store.

But if you are inquiring about the most important output of economic policy and economic management during this period, then obviously I would mention only the maintenance of our solvency, avoidance of a significant worsening of domestic equilibrium, and prevention of a sharp decline in the standard of living.

In the same manner, I have two answers also to the question regarding the greatest shortcoming. I see the greatest shortcoming in our failure to achieve a qualitative change in the economic mechanism. To this very day the leadership has been approaching the economic mechanism's reform hesitantly, and this would be bound to create uncertainty even if the measures were not so conflicting. Therefore there has been hardly any change in the economic subjects' behavior. Hardly inseparable from this is the other side of what I regard as the greatest shortcoming: that a qualitative change has not occurred in the development of our economy; that the favorable structural changes have not started; and that the international competitiveness of our exporting sectors

has not improved and has even worsened. This may be summed up by using an expression popular in the period: we have not started off on the new growth path but are nervously marking time at the crossroads.

2. I do not think that we should be looking for the economic reform's bottleneck in any of the partial areas within the system of the economy's organization or the system of economic regulation (taxes, prices, the banking system, or government machinery). Whenever we attempt to tinker with any one of these partial areas separately (as we have attempted to tinker with taxes in 1980, are now tinkering with the forms of enterprise--incidentally, I regard their reform as one of the achievements--and will probably have to tinker with taxes in the second half of this decade), the intention to change always comes up against the pusillanimity and disillusionment of those who elaborate and implement the changes, and the limitations of the real economic conditions.

I will begin with the latter. The economy's domestic equilibrium is more shaky today than it was in the mid-1960's, at the start of the reform; and perhaps even more shaky than at the start of economic consolidation, in the late 1970's. In such a situation it is indeed difficult to liberalize prices, wages and import, yet this is a prerequisite for the economic reform to unfold. I regard as a key issue that the restoration of domestic equilibrium and the gradual elimination of the signs of a shortage economy become a central objective of economic policy. To this (and not one-sidedly to external economic equilibrium) we must continue to subordinate our rate of economic growth. In this sense, therefore, I regard as misdirected the concept of accelerating or stimulating the economy, with which the 7th Five-Year Plan is imbued.

When domestic equilibrium is so shaky, when reform measures are realized at the price of such considerable concessions as we are now experiencing in conjunction with price control, wage regulation or the bankruptcy issue, and when these concessions are partially unavoidable, then the only thing which could keep the reform efforts from becoming completely discredited would be a definite and unambiguous statement by the government professing its commitment to reform, which would also indicate that the concessions are temporary. Often the official propaganda about the measures, rather than the measures themselves, is in conflict with this. There is an official reform rhetoric, and there is also an official continuity, no-reform rhetoric. For this very reason, I regard the absence of the government's unambiguous commitment to reform as the most serious bottleneck.

3. It follows from the preceding that I regard as unlikely a halt or slowdown of the decline of the Hungarian economy's position within the world economy. For decades, our economic mechanism has been tolerating waste and not compelling adjustment to demand, and our system of external economic relations has been isolating us from the world market. Although these effects have abated somewhat in recent years, to them there has now been added the curtailment of the volume of investment since 1979, which has not been offset at all by an improvement in the efficiency of investment. Our exporting sectors have entered the new five-year plan holding dilapidated stocks of fixed assets, their supply of materials disrupted by import restrictions, and their managers demoralized by repeated disappointment in the mechanism's promised changes. Among our competitors, the other CEMA countries are in a similar situation;

but most of the others have accelerated their technical development in recent years. Under these conditions, how can we expect acceleration and an improvement of our position within the world economy?

If the economy's overall efficiency improves perceptibly as a result of the economic reform's consistent continuation, these trends can turn around with time. But this is unlikely to make itself felt already in the remaining years of this decade. What we can and must do something for now are the 1990's.

Tamas Beck, chairman  
Hungarian Chamber of Commerce

1. As the greatest economic result of the period since 1979 I regard the fact that the Hungarian economy, unlike the economies of many other countries, has been successful in restoring external economic equilibrium and remaining solvent, at the cost of considerable effort. Parallel with the success in this area, however, it must be established that other kinds of success in the economy have been influenced significantly by the top priority assigned this task over everything else. In the setting of economic objectives, therefore, the attainment of this objective often appears divorced from all other consequences, and it is much less a condition that serves the realization of the otherwise set economic-policy objectives. The consequences of this are intensified to a large extent by the fact that it is not perceptible to the economic units how important a requirement the reduction of our total debt truly is in the given period, and how closely related it is to the period's credit conditions, to our creditworthiness, and in general to the conditions for the economy's smooth functioning. Thus the maintenance of our external economic equilibrium and solvency becomes an independent objective that simultaneously influences the economic processes as well.

The result mentioned above, and the circumstances under which we have achieved it are also contributing factors to the greatest shortcoming of our economy. Namely, to the fact that in its external economic relations the Hungarian economy is incurring year after year additional terms-of-trade losses, in a departure from the trends noticeable in the world economy and many years after the oil price shocks, even amidst processes whose trends have changed. The fact is that this is due in part also to pricing reasons (in trade with the socialist countries). But even if we take all the objective conditions into consideration, this burden is becoming increasingly intolerable. Explanations as to how these two circumstances are related are, I believe, unnecessary.

2. The greatest bottleneck of the economic reform's evolution is the insufficient integration of the system of managing the economy. Even at the macroeconomic level, the interrelations between the individual instruments of economic management have not been thought through, and the tools and methods are lacking for assessing the foreseeable effects. Accordingly, the various regulators interact at the enterprise level, clash there, and produce results that are surprising (at least to the economy's management).

The unexpected effects evoke additional measures and modifications from economic management, whereby the interrelations worsen further, the flood of instructions and directives grows, the regulations become confusing and do not

provide adequate assurance for either economic management or the economic units. Common sense at the enterprises finds loopholes in these regulations. Economic management regards this as trickery and circumvention of the regulations, whereas it is merely an entirely natural reaction.

In this situation there emerge new solutions, and new economy-organizing measures are introduced that economic management does not examine from the viewpoint of whether they qualify as "the economic mechanism's reform." In economic regulation, however, economic management takes pains to ensure that the spent resources can be classified on this basis.

3. The Hungarian economy has little chance of shortening its lag under the 7th Five-Year Plan. Mainly because the economy's performance under the present conditions is low, and therefore the resources are lacking that could be used to accelerate development. In the absence of such resources, the set tasks do not ensure the plan's fulfillment. Although a slight change is noticeable in this respect, the 7th Five-Year Plan is primarily distribution-oriented. It devotes less attention to the creation of resources than to the proportions of their distribution. Even at the planned level, however, the stock of resources can be created only if there is a meaningful improvement in the economy's efficiency, etc. As a prerequisite for such an improvement, however, the convertibility of the enterprises' options (accumulation, technical development, etc.) must be ensured.

Economic policy is sound, but in many instances economic regulation does not support it.

Lajos Berenyi, deputy chairman  
National Planning Office

1. In the given external economic environment, I regard as an outstanding result the improvement of our external economic equilibrium. I would like to remind you that in this period the Hungarian economy was exposed to such negative effects as the second oil price shock, the protracted recession of the capitalist world economy, the curtailment of lending to the socialist countries, the decline of international prices that had an extremely unfavorable effect on our export denominated in hard currency, the problems of ensuring our import of energy and sources of energy, etc. In these circumstances the maintenance and subsequent improvement of our solvency, and the reduction of our total debt thanks to our trade surplus, may be regarded as a good performance even by international comparisons. As the greatest problem of the past seven years I regard our failure to fulfill the objectives for transforming the production structure of our economy. As a result, our competitiveness has not improved to the desired extent.

2. In my view, the conditions for the economic reform's evolution do exist. There are, of course, quite a number of bottlenecks. I regard as such bottlenecks, for example, the large number of inefficient enterprises, the scarcity of capital, the "reining in" of the enterprises that would be capable of dynamic growth, the workers' low morale, etc. Possible ways of resolving these bottlenecks are, for example, a selective development policy that includes also disinvestment, more decisive measures in the area of enterprise and personal incentives, improving the quality of management, etc.

3. I rate our prospects slightly better than they were at the start of the 6th Five-Year Plan. I start out from the assumption that the external economic environment will at least not prevent us from realizing our domestic economic aspirations, even if it does not help us significantly to do so. The further decline of the Hungarian economy's position in the world economy, which you mention in your question, can be avoided if we are able to achieve the faster economic growth specified in the 7th Five-Year Plan, through an improvement of efficiency and in such a way that our economic equilibrium does not worsen and continues to improve slightly. I regard as a question of key importance the improvement of our ability to export, a more flexible adaptability than at present to the changes in the world economy, and thereby the avoidance of a further worsening of our terms of trade. Further expansion of our economic relations with the socialist countries is an important condition for improving our external economic position, and I believe that the agreements concluded with the CEMA countries for the 1986-1990 period provide a good foundation for this.

Academician Jozsef Bogнар, director

World Economy Research Institute of the Hungarian Academy of Sciences

1. As the greatest weakness of economic policy in the period since 1979 I regard our inability to combine the restrictions, which were unavoidable, with suitable incentives. It has been obvious from the very beginning that equilibrium has to be restored. But in the medium run (over a period of 3 to 5 years) this can be done only by eliminating the causes of disequilibrium. And it follows from the nature of things that this means incentives as well. The situation in our country is that the efficient enterprises are taxed heavily, and the deficits of the inefficient enterprises are covered partially from such revenue. Consequently, we have to pursue a selection that places emphasis on export orientation. In other words, a selection that gives the efficient enterprises incentives, and winds up the inefficient enterprises or converts them to other economic activity.

Such a policy of selection has not been developed as yet (i.e., at the start of the new plan period). And we cannot extricate ourselves from an external economic recession by economizing on import. This statement is increasingly valid in the case of a country such as ours, one with a paucity of energy resources and raw materials, and with moderately advanced technology. Obviously, we will always need to import a substantial volume, and we cannot offset this import any other way than by increasing our export. We must strive to develop such a selective policy as soon as possible.

Having said this, we must still regard as an achievement our ability to keep the country solvent. And a by no means negligible factor is also the fact that various new methods have been introduced into the economy in the course of its reform, and these methods are providing wider room for action also from the viewpoint of restoring equilibrium.

2. Among the obstacles I would single out three, although they partially overlap. One is the cyclicity observed in the development of socialist societies. Here I have in mind not the business cycles, but the ones that link the economy and policy. In the course of the development to date, as far as we can tell,



there have always been certain periods of sensible economic policy, so-called "more permissive" periods. When these periods had uncovered sufficient reserves and the situation had improved, there usually followed a return to various radical, equalizing policy orientations. This is perhaps a part of the rhythm of society's existence, and it is unlikely to be eliminated soon. This phenomenon is actually a manifestation of "pluralism," and the indications are that a degree of pluralism is necessary even under a one-party system, especially when the latter is based on a vigorous policy of alliance.

The second factor is that there is a creative and also a bureaucratic version of how reform is perceived. The creative approach always seeks the methods that are the best at any given time. The bureaucratic approach--more common among workers of the state machinery--accepts a practice that stems from the reform, but maintains this practice even when the conditions have changed.

Finally, there is both an economic and a technical approach to reform. This can be observed anywhere a reform is attempted. It must be admitted that some economists are not placing sufficient emphasis on technical and technological development, although it is of outstanding importance from the viewpoint of changing the present structure of the economy. Some engineers and technicians, on the other hand, are concerned mostly with the innovation of the technical processes and the feasibility of controlling them, but fail to take the economic consequences into consideration. Because if there is oversupply, for example, we can fall into a recession even with modern plant and equipment. These one-sided approaches collide on every important issue and, together with the obstacles mentioned above, are seriously impeding our progress.

3. I consider this question a serious one. Should the 7th Five-Year Plan be fulfilled the way it has been adopted, it would set our international rating back by 15 to 20 places, based on the indicators of economic development. Hard work will be necessary to uncover additional resources for growth. If we are beaten in the competition in the world market, that would have serious consequences also for the development of our living standard, for example.

The uncovering of additional resources is not merely a quantitative question. According to the survey of engineering products that the National Material and Price Office conducted, we are importing products with the same technical parameters for about 20 percent more than the prices at which we are able to export them. Which means that we have considerable reserves even in our present structure, provided the quality of our products and the efficiency of our marketing work improve. As a part of the already mentioned selective policy, the few dozen domestic enterprises that account for most of the export volume ought to be given suitable export incentives. And they ought to have access, for example, to the special raw materials and subassemblies that can enhance the quality of their products and give a return several times higher than their additional cost. We need a system of open preferences, which is something that even GATT accepts. For nobody in his right mind can seriously believe that, even without suitable incentives and subsidies, our domestic enterprises could be competitive in markets in which there are also multinational and supranational corporations, when our enterprises are already coping with a multitude of problems. The mentioned corporations, incidentally, are enjoying substantial tax concessions.

Janos Hoos, state secretary  
National Planning Office

1. The greatest result is that we have been able to ensure the continuity of economic development, and national income has increased by about 9 percent during this period. We have been able to remain solvent and have made meaningful progress in restoring external economic equilibrium. Living conditions likewise have improved in some respects. A significant contribution to this has been made by an economic policy and an economic management practice that have been streamlined in many ways to meet the new requirements of the recognized changes in the external and domestic conditions. The greatest shortcoming is that progress has been relatively modest in the economy's structural transformation that adjusts to the new conditions in the world economy. Considering the requirements and possibilities, no meaningful progress has been made in making employment more effective. The losses of efficiency resulting from slow structural transformation are still high, and also the utilization of the reserves inherent in structural transformation is very fragmentary. From all this it follows that, to consolidate and make permanent our economic equilibrium, we must solve questions equal to, or greater in importance than, the by no means small problems which we have solved since 1979. This applies also to the acceptance of the stresses that accompany the solution of the problems.

2. Two main bottlenecks can be identified. One, the structural conditions and stresses. The other, unsuitable assertion of the requirements of full employment under the new conditions.

The first main bottleneck means primarily that the structure of the economy must be changed in a way such that we eliminate or reduce the sources of losses, and remedy the problems of the areas of low efficiency. It is especially important to halt or turn around the unfavorable trends of the areas whose contributions to net national product are declining, whereby the necessity would cease of propping up the areas in question, by increasing the centralization of income from the more efficient areas and enterprises. Only in this way can the profit incentive function more meaningfully, and only in this way can we provide more room for the development of the modern and efficient areas that represent the future.

Consistent practical implementation of more efficient employment will focus attention more closely on the performance-linked income incentive that boosts performances and creates more resources. The acceleration of manpower mobility that better meets the interests of the economic units and, in conjunction with it, the establishment of more favorable conditions for the reallocation of resources will promote the more efficient use of resources. Through all this it will be possible to dismantle to a large extent the obstacles that are still hampering considerably the efficiency-increasing and performance-boosting orientation and pressure of the system of economic regulation, the "rearrangement" of incomes in favor of the uneconomical areas, at the expense of the economical ones. This is the more likely because structural modernization and manpower mobility constitute a closely integrated unity.

3. These prospects are better than at the start of the 6th Five-Year Plan. External and domestic equilibrium are more favorable. If not meaningfully better, the international conditions are at least not worse. Economic policy and

economic management not only have several years of experience in adjusting to the new conditions, but--in the dove-tailed long-range concepts, medium-range plan, and program of perfecting economic management--they also have a carefully thought out strategy on how to proceed further. If economic management is able to meaningfully assert the requirements formulated in them, spell out the courses of action to be taken, accept and manage the resulting stresses, and resolve them in a manner that will aid evolution, then we may expect meaningful progress. In view of the fact that the mentioned tasks concerning structural modernization and the efficiency of employment are rooted also in our socialist development to date--and are thus of a historical nature regarding also their past--their solution will not be easy. We cannot expect a rapid, spectacular evolution, only gradual progress. It may be said without exaggeration that the tasks to be solved are of historical proportions, and that their success or failure will determine the Hungarian economy's gain or loss of position within the world economy. But the fact that the magnitude of the tasks has been recognized, the economy's potential is by no means small, there is relatively successful consolidation experience behind us, the international conditions do not rule out development, and especially that we have a suitable program, warrants realistic hope. However, potential can become reality only if we are able to pursue an economic policy and establish a practice of economic management that are equal to the historical importance of the tasks.

Rezso Nyers, scientific consultant  
Economic Sciences Institute of the Hungarian Academy of Sciences

1. In this period, unfortunately, there are not too many results to choose from, at least not at the macroeconomic level. After all, the Hungarian economy was on a fixed trajectory, with little room for maneuvering. There are nevertheless two things that I regard as the most important results: the fundamental improvement of our balance of trade, and the return to the economic-policy principles of 1968.

The 1.5-billion-dollar improvement of our balance of trade is in itself noteworthy, especially if we take into consideration how bad the situation was at the end of 1978. It is an achievement that we have not been forced to request the rescheduling of a proportion of our foreign debt, and have been able to avoid at the same time a major imbalance of supply and demand in the consumer market.

The return to the principles of 1968 is an important result, in part because it has helped us to develop our relations with the world economy, and in part because it has provided additional resources for the economy. When the earlier uncertainty regarding policy ceased, the economy's "manual control" by the government caused less disruption.

The greatest shortcoming, in my opinion, is that very little has been and is being done to curb uneconomical production and export, at least in the case of activities which unambiguously worsen our balance of foreign exchange. On this issue the government has been weak, and I feel that our future is in serious jeopardy because of this.



2. The greatest problem is that our ability to import is still substantially less than the entire economy's import intensity, and this is hampering faster economic growth. In practice this applies to import denominated in hard currency, because essentially our possibilities of importing from the ruble area cannot be expanded more than what has been planned. Wide-scale import substitution is feasible only at low efficiency, and therefore the way out from our predicament is to expand export denominated in hard currency. This, in my opinion, has been incorporated correctly in the five-year plan.

The fact that a significant proportion of our industries are unable to increase their economical sales in all three of our markets simultaneously is a bottleneck. Many enterprises are working either the hard-currency-denominated or the CEMA market. If present in one market, they hardly develop their activity in the other market. And, in the case of some of the products, orientation on a foreign market means shortages in the domestic market.

The "ageing and enervation" of technology transfers, and of production and marketing cooperation with foreign companies, is likewise a bottleneck. The momentum of the 1970's has tapered off. There is a need for far more new initiatives than there are at present.

Finally, in my opinion, there is a serious shortage of something else: large-scale and renewing entrepreneurial skills on the part of enterprise managers. Uncertainty is evident in their interest, and their incentive is not enough to launch major ventures.

3. When we are assessing prospects, this must not be perceived as an attempt to foresee the future. We are unable to foresee the future, and therefore we must do our best regardless of whether the prospects are favorable or less favorable.

I personally believe that the prospects are good for halting the trend of our declining position in the world economy, but this is not something that "is in the bag." The five-year plan's task in this respect will be difficult to fulfill, but I see a chance to do so. To this end we will have to improve our positions in West Europe and our performance in Southeast Asia, and penetrate new markets in developing countries (the ones that are renewing or increasing their international credits, for example), amidst intensifying competition.

So far as the international competitiveness of our export is concerned, I see only a very moderate chance of a significant improvement in this period, and we may have to make do with a smaller improvement. For the time being it is difficult to say what the efforts for scientific and technical progress within CEMA may produce, or what can be realized of the ideas to attract foreign operating capital, and whether production cooperation will gain new momentum. Not only is our plan an "open" one, but I regard as an open question also our rate of economic growth.

On the other hand, I think the prospects are good of preparing during the next five years for an expansive external economic policy and practice in the future, and perhaps we may even start their implementation toward the end of this decade.

Miklos Pulai, deputy chairman  
National Planning Office

1. As the greatest result I regard the avoidance of debt rescheduling and the maintenance of our solvency. Our greatest shortcoming is the operation of loss-making enterprises in the competitive sphere; furthermore, the increase of subsidies for uneconomical activities, and the continuation of unsatisfactory cost management, in the noncompetitive sphere. In other words, we have not been able to make significant progress in transforming the economy's structure.

2. [Bottlenecks:] The limited operation of a controlled market mechanism and the parrying of its effect (by preventing, through exceptions, a rearrangement based on efficiency);

The low level of social capital's organizing power, the inadequate flow of equipment and labor, the dominance of the physical aspects of production, and resistance to rearrangements that cause also stresses, mainly local ones.

[Recommendations:] More consistent practical implementation of the approved economic-policy principles; wider impact of market forces, even through state measures if necessary; consistent propaganda and education work also in the mass media.

3. There is a chance because (1) economic policy, on the whole, is realistic and sound; (2) the economic mechanism is being developed in the right direction. However, consistent implementation of both is a prerequisite.

Academician Tibor Vamos, director  
Computer Science and Automation Research Institute  
of the Hungarian Academy of Sciences

1. Naturally, I regard the avoidance of a liquidity crisis as the greatest result, although this immediately creates a slight contradiction also with the greatest shortcoming. But another result of no less significance is that the country's economic and political leadership did not retreat when it recognized the difficulties, but strived to continue the postponed and interrupted economic reform. It is debatable how consistent the leadership has been, and how much room for maneuvering it had, but--taking also our environment into consideration--the intention itself to go ahead is another act of historical importance. The greatest shortcoming is the accumulation of domestic debt, with which we have burdened ourselves far more than with our borrowing in the preceding period. The seven years of restrictions have caused a technological and infrastructural gap such that to narrow it will be even more difficult than to service our foreign debt.

2. Many people have pointed out that not only is our reform burdened by compromises stemming from a correct assessment of reality, but it is also more inconsistent than the social, political and external economic pressure. In correctly opening up free enterprise, I fear that in some respects we have reached the point where we are creating a paradise for NEP [Lenin's New Economic Policy] speculators. We are full of businesses that are not enriching the

country, and not even the individuals who deserve to become richer because of their knowledge, ingenuity and courage; instead, these businesses have merely widened the circle of profiteers preying on the socialist shortage economy. At the same time, we have not done enough to let those organizations operate as real entrepreneurs which could decisively increase national income. What we need is that an enterprising spirit and profit orientation imbue the entire country, not only the dealers in smuggled or bartered goods.

To date we have been unable to solve the better coordination of short-term and long-term incentives. This will have serious consequences in the coming period, and the gap that I have described in my answer to the first question will be combined with a clearance sale.

Another serious weakness of our economic system and incentives is that they are not promoting cooperation and are even acting against it. Everywhere in the world, large-scale cooperations of a new type are being formed; they are not centralized, but within the framework of enterprise combinations they nonetheless concentrate and mobilize immense power. In Hungary, meanwhile, fragmentation is intensifying. I strongly emphasize that this must not be solved by a step backward, as I have underscored in my answer to the first question. In other words, it must be solved not by administrative and organizational measures, but through an economic environment that makes cooperation a condition of survival.

3. As evident from my answers so far, our prospects are not good and, what is even worse, their trends are declining. In addition to what has already been listed above, we may include here also the social backdrop of our prospects, the mentioned losses of value in all its aspects, including intellectual work, identification with collectives, longer-term human ideals, the work ethic, interpersonal relations, the relaxation of standards for ourselves and others. Yet we could have room for maneuvering, for the idea of European cooperation is gaining ground, and in it we could have not only a political role but an economic one as well. In the changes that are essential within the socialist camp, now characterized primarily by the changing style and thinking of the Soviet leadership, we could participate actively and to the mutual advantage of both sides.

Ferenc Vissi, deputy chairman  
National Material and Price Office

1. As the greatest economic result of the period since 1979 I regard our ability to survive the external liquidity crisis, without any major domestic disturbances. For example, there has been no drastic decline in our standard of living, plant shutdowns due to import restrictions have not caused significant vertical disruptions so far, etc. To this brief answer I would like to add the following comments: The situation in Hungary during this period was one in which short-term interests had to override economic strategy to a large extent. As a necessary consequence of this, we had to pursue the economic strategy that offered the lowest loss. But the concept of lowest loss incorporates to a large extent also social components, and therefore the answer one can give to this question does not lend itself to quantification in everyone's mind. As an example to illustrate this, I might point out that there is no objective system

of weights capable of comparing the negative consequences of inequalities in income potential, with the quantifiable favorable effects of an improvement in the balance of trade.

As the greatest economic shortcoming during this same period I regard our failure to use this period to economically rehabilitate the enterprises or groups of enterprises that are lagging the most by international standards--in other words, are coping with serious problems of efficiency--in the sense of renewing the efficiency of production at these enterprises. During these years we spent about 200 billion forints on investments. Some of this money ought to have been earmarked for this purpose.

The answers to the question of what were, respectively, the greatest result and the greatest shortcoming appear to be conflicting. After careful consideration of both subjects, however, it is easy to see that the contradiction stems from regarding individual elements of the chosen economic strategy as absolute. In other words, my opinion of the past seven years is that we have neglected that aspect of crisis management which would have led to structural transformation in the lagging spheres of the economy.

2. I see the bottlenecks of the economic reform's evolution in that neither society nor the enterprises and economic management regard the market and competition as a sufficiently mature or even acceptable category, in spite of the measures and the propaganda devoted to them. A clear indication of this is the fact that the scope of enterprise independence is incredibly narrow and the degree of economic pressure incredibly low. Competition will always have negative concomitants, especially under market conditions similar to those in the Hungarian economy. Although economic management has devised certain mechanisms to handle disturbances, the general level of tolerance is so low that these mechanisms typically limit competition, instead of scaling down the negative effects. The paradox has arisen that today competition is awkward for practically everyone. Therefore confusion prevails in the value judgment of economic management's behavior concerning competition, and it is difficult to see that only competition can advance also solution of the bottlenecks in the economic mechanism's evolution. To further complicate the problem, the sufficient degree of economic pressure and the minimal tolerance of disturbances cannot be designed at the drawing board; they have to be tested in everyday reality.

To solve this problem, I recommend implementing without delay the principles adopted for the further development of economic management, so that its basic principles may be incorporated also in our social and political set of values. In my opinion, the resolution on the economic mechanism contains the policy guidelines for all the measures necessary in the coming period to chart the path of development toward an improvement of our competitiveness, and to gradually develop a socialist competitive economy.

3. Before briefly replying to this third question, I suggest that the editors attempt to clarify, from the received or other answers, what the decline of the Hungarian economy's position in the world economy actually means. I suspect that the loss of position has fairly tangible, mostly technical and economic components, but there may be social components as well. The former

category includes, for example, the technological gap that exists between the most advanced technologies in the leading industrialized countries on the one hand, and the most advanced technologies in Hungary on the other hand. Less tangible is the loss of position when we start out from the difference (and its increase) between the average levels of development. Because even that part of the average which can be measured with the help of some economic indicator (per capita national incomes, changes in the shares of world trade, for example) can be interpreted only on the basis of successive approximation. But actually the average incorporates also such social elements as, for example, social stability, the level of unemployment, etc. I think that the gap between the most advanced technologies probably will not narrow within the foreseeable future. However, there is a realistic possibility to accelerate the Hungarian economy's adaptability to receive all the technologies that are more modern than the ones we now have, but are regarded only as common or average technologies in the leading industrialized countries.

Even with the ambiguities in interpreting the meaning of the decline of a country's position within the world economy, I agree that during the past decade the Hungarian economy has lost some ground in relation to the world's leading industrialized countries. Some factors of arresting this decline are beyond our control, and there are other factors over which we do have control. I regard as a factor beyond our control the development of the advanced capitalist countries and of CEMA as an economic integration. (I have to mention CEMA because, in world trade as a whole, the loss of position applies to entire CEMA, and within it also to the Soviet Union, for example. One problem is that CEMA does not yet have in place the mechanisms which could accelerate the integration of production and create for the CEMA countries a market with multi-lateral clearing.) The role of the factors over which we do have control is very significant. As I see it, there are two basic groups of factors at our disposal to accelerate the aforementioned adaptability. Changes in the economic mechanism constitute one group. The other group concerns the extent to which we are able to ensure the conditions under which the Hungarian enterprises and their production structures will be able to become fully integrated into the production relations of the enterprises both of the socialist and the capitalist countries. It seems that to this last question we have not been devoting the attention it deserves.

1014

CSO: 2500/240

12 May 1986

ECONOMY

POLAND

## BANKRUPTCY CASE REACHES COURTS

## 'Domgos' Failure Explained

Warsaw RZECZPOSPOLITA in Polish 1 Apr 86 p 3

/Article by Mariusz Chemielewski: "The Bitter Taste of Bankruptcy"/

/Excerpts/ The legal bases have existed since 1983. However, it took a long time to get used to the idea that the articles pertaining to the failing of the enterprise and not only to the healing of its economy could at some time be of relevance. Many of those with whom I talk, still do not believe it even though on 28 February 1986, the minister of metallurgy and the engineering industry petitioned the Provincial Court in Katowice to declare the bankruptcy of the Domgos Metal Plants in Zabrze.

The bankruptcy became fact, and a sensational one at that, because it was not preceded by the introduction of a commissioner's management board /zarzad komisaryczyn/. Such an assessment is also substantiated by the fact that this was the bankruptcy of an enterprise which--as the name implies--is or rather was a manufacturer of sought after consumer goods, such as, among others, boilers, heat exchangers for central heating in single family homes, chandeliers, shelves and lamps.

Did such a decision have to be taken?

## The First Warning Signs

To look for the causes of the enterprise's tragic financial situation solely in the investment mistakes of the 1970's would be overly simplistic. Mistakes in management decided about the fate of the enterprise; i.e., recent mistakes. However, it cannot be said that those who claim that the frequent changes in "club colors" did not suit the management of Domgos were not right. From a regional industrial plant, it turned into an enterprise subordinate to a branch ministry of the electrical-machine industry during the 1970's. In 1981, the governor of Katowice began to fulfill the role of a parent agency. Not quite 2 years later, Domgos was already an enterprise of the Ministry of Domestic Trade and Services. Finally, it found its way under the wings of the minister of metallurgy and the engineering industry. As it turned out, the reception was not hospitable.



In any case, it could not have been otherwise unless it was at the expense of granting the enterprise tax and PFAZ relief or providing subsidies. The interministerial team headed by the president of the Polish National Bank /NBP/, whose task it was to analyze Domgos' financial situation, rejected such a possibility. In the team's opinion, the state of the finances of the enterprise did not foretell anything good.

In the plant there is talk of an unfortunate set of circumstances and an unbalanced consumer goods market. If the sheet metal and pipes had arrived on time, at the beginning of the fourth quarter, there would not have been a production "setback" in 1984. It would have been possible to save the production of boilers. However, this did not happen and an immediate repercussion was felt on the financial results for the year. An approximately 20 percent drop in production with a concurrent increase in wages resulted in a more than threefold increase in the burden on PFAZ. Consequently, the profit--after taking into account the burden on the national budget--turned out to be too small for the repayment of borrowed credit. The bank refused credit in part and began collecting penalties, an installment payment of 14 million zlotys on investment credit and 11 million zlotys in payment for credit for debts--all from current revenues. At the same time, it made the further granting of credit subject to the condition of presenting a program of restoring health to the economy in 1985.

The program was created, received the approval of the bank and crediting was resumed. The program envisaged changes in the production structure, increasing management efficiency and attaining a profit in 1985 of 17 million zlotys for distribution.

#### Hope in a Merger

The philosophy behind this program was simple. Since it is so difficult to obtain production material for consumer goods, above all, sheet metal and pipes because these are centrally distributed, coproduction must be looked into. Wealthy partners, including those that assured the supply of indispensable raw and other material, were not lacking. In this way, the draft plan of entering into close cooperation with the Bumar-Labedy industrial group and of increasing the production of consumer goods for enterprises of the mining and power industry was initiated. As a result of changes in the structure of production, the sale of consumer goods in 1985 decreased 35 percent by comparison with 1984 and gross sales fell 5 percent. The percentage share of consumer goods output in production as a whole fell from 74.0 percent to 51.0 percent.

The awareness of increasing production as well as economic problems prompted the management of the enterprise and the workers council to search for a partner who could buy out Domgos together with its debts. It did not take long to persuade Bumar with which Domgos entered into coproduction in July of last year. In December, a joint proposal was presented to the Ministry of Metallurgy and the Engineering Industry for the merger of both enterprises.



"From the plant point of view such an undertaking would be profitable on all counts. Admittedly, we would lose our independence, which in our case is in principle only, anyway. However, we would gain in terms of working conditions, social welfare and wages." This is what is being said at the plant.

However, would the market character of the plant remain? The experiences of the 1970's associated with the elimination of regional industry dictate skepticism toward all promises of this kind even if they were to come from Bumar. Such was also the point of view of the parent agency which ordered that the proposal made by Bumar be rejected. However, in the face of the absence of other candidates for the purchase, this signified a sentence for Domgos.

#### There Is No Accord on Mismanagement

The 5 percent drop in production in 1985 signified that the program of restoring healthy enterprise management was only on paper. With the decline in employment in mind, the bank also judged Domgos' current year plans as unrealistic. Indeed, the 27 percent increase in consumer goods production and the /possibly 58; numbers illegible/ percent increase in producer goods looks promising. However, in January alone, the progress of production came to only 4.7 percent and was 3.8 of a percentage point lower from the passing of calendar time. Let the gauge of disorganization and collapse of the enterprise be the fact that it was not and is not capable of specifying the so-called base and projected net production for 1986 which is the basis for the creation of a wage fund for this year.

There was no auspicious end to all this. The enterprise's bank debt amounted to 29 million zlotys at the end of 1985 and to the national budget because of the financial burden on PFAZ--12.7 million zlotys. Altogether, this comes to approximately 42 million zlotys. Therefore, it is no surprise that on 1 January 1986 the NBP branch in Zabrze, which had been financing Domgos, decided to deny it credit and at the same time--in accordance with the law on the improvement of management in a state enterprise and its collapse--grant a 4-month credit for the paying out of wages.

From the current revenues of the enterprise, the majority of the bank obligations were repaid. The budget continues to be the enterprise's creditor. Suppliers are clamoring for payment. At the end of 1985 the debt and obligation balance amounted to approximately 21 million zlotys. In January, it increased by another 18 million zlotys by virtue of raw and other material deliveries for production. The development fund, from which the most pressing payments....is nearly empty.

During the first days of February, the minister of metallurgy and the engineering industry appointed a task group for the purpose of studying the economic situation of the Zabrze Domgos. "Because of the fact," we read in the post-inspection note from 26 February, "that the continued

independent functioning of the Domgos enterprise would require the granting of budgetary subsidies or financial relief; that the organizational merging of this enterprise with Bumar-Labedy would lead to a significant decline or giving up of consumer goods output; and that the enterprise did not implement the program of improving its management in 1985 and thus, has lost its credit worthiness, the task group proposes that Domgos be declared in a state of bankruptcy (...) and that it be sold to socialized entities that produce consumer goods."

Two days later, a formal request was filed with the Provincial Court in Katowice to have Domgos declared in a state of bankruptcy.

Domgos has not given up on the struggle to survive. It defends itself by arguing that contrary to the claims made by the commission which inspected the enterprise, its supplies and money owing from clients cover over and above its liabilities. The coming weeks will bring a determination. One thing is certain, however: whatever the shield assumed by the enterprise that buys out Domgos, the market character of production must be retained. Consumers must not lose out on bankruptcy.

#### Official Comments

Warsaw RZECZPOSPOLITA in Polish 1 Apr 86 p 3

/Interview with Marian Tomal, director of the Department of Economics and Finances at the Ministry of Metallurgy and the Machine Building Industry, by M. Ch./

/Text/ /Question/ Why Domgos? If it were not for tax relief in the payment-contributions made to the PFAZ and if it were not for subsidies, a dozen or so enterprises should find themselves in the same situation. Meanwhile, they are doing pretty well.

/Answer/ We cannot apply the rules and regulations of the law on the healing of an enterprise and its collapse blindly and separately from the assessment of the effect of the situation on the market of consumer goods produced by enterprises threatened with the loss of credit worthiness.

/Question/ And this means that the ministry decides when the legal principles passed by the Sejm are binding and when they are not?

/Answer/ Needless spite: we do not usurp such a right and no one relieves us from the obligation of foreseeing the consequences associated with declaring a state of bankruptcy of an enterprise. These are consequences felt by the plant, its work force as well as by the consumer goods market. We must come to terms with the fact that we do not live in a world that looks the way the laws would like to see it.

/Question/ Why then did Domgos go bankrupt?

/Answer/ Management mistakes and the breaking of the bond between work productivity and wages led to a situation in which the enterprise assets turned out to be too small to cover the financial obligations to the state budget and to the suppliers. We have also noticed that the share of consumer goods output decreased from year to year at the expense of coproduction. Thirdly, I will add that it is fortunate that Domgos was not monopolistic. Therefore, there was no fear that the elimination of an inefficient producer would contribute to the appearance of market perturbations.

/Question/ It follows from this that monopolists can feel safe.

/Answer/ I did not say that. They are also bound by the rigors of efficiency. For example, on 20 January of this year, we introduced a commissioner's management board at the Fabryka Okladzin Ciernych /Friction Lining Factory/ in Marki, and on 1 March of this year at the Teligi Morska Stocznia Jachtowa /Maritime Yacht Dockyards/ in Szczecin. A commissioner, appointed by us, has been managing the Fabryka Mechanizmow Samochodowych /Factory of Automotive Mechanisms/ in Szczecin since 15 February of last year /1985/.

/Question/ But those enterprises will not go bankrupt.

/Answer/ Can they? If the bankruptcy of, for example, the FOC in Marki were to be declared, the country's entire automotive industry would be deprived of parts necessary for the assembly of brakes. Therefore, we must bring about the restoration of a healthy economic and production situation to the enterprise whose life under a commissioner's management is not at all as easy as is commonly thought.

/Question/ Will the decision to declare the bankruptcy of an enterprise change anything in the mentality of the management cadre of our plants?

/Answer/ Such news spreads quickly. Their mentality has already changed. From the letters and telephone calls coming in to the ministry, it appears that the managers of enterprises threatened with the loss of credit worthiness have come to believe the results of our actions.

/Question/ Are you certain of this?

/Answer/ That is my impression. I can assure you of one thing: in cases substantiated by public interest, we will not back away from declaring an enterprise in a state of bankruptcy. We all know what firms, which have to be financially supplemented, mean to the nation's economy. We do not want to find ourselves among those about whom it is said that they looked on passively at the spiraling of inflation. Subsidies and tax or PFAZ relief will not and cannot replace efficient management.

9853/12276  
CSO: 2600/345

MILITARY

INTERNATIONAL AFFAIRS

#### CURRENT WARSAW PACT MILITARY DOCTRINE ASSESSED

Stuttgart OSTEUROPA in German Vol 36 No 2, Feb 86 pp 102-111

[Report by Curt Gasteyger: "Thirty Years of the Warsaw Pact: Balance and Prospects"; presented at the annual meeting of the German Society for East European Affairs 12 October 1985 in Nuremberg]

[Text] The Warsaw Pact is among the organizations that have a more or less gratifying reason to celebrate an anniversary this year. It is indicative of the circumstances of its formation and its previous "conduct" that its 30th birthday--and thereby its necessary renewal--could not be celebrated without a certain uneasiness on the part of some of its invited cofounders. As we know, it survived the "party" and, if all goes well, it may now be assured of another 30 years. It is still remarkable that such an apparently solidly managed alliance as the Warsaw Pact had to have its right to an additional period expressly affirmed.

Military alliances have not had it easy in recent years. Some of them have failed because of the dissimilarity of their members at the moment of the disappearance of the actual and supposed threat that had led to their formation; this is especially true for the alliances that the United States promoted in the "Third World." Other alliances, such as the Soviet-Chinese alliance, broke apart because of political or ideological rivalry and still others--for which Colonel Qadhafi's creations are exemplary--hardly lasted beyond the generally solemn founding ceremony.

The few alliances, finally, that are still in existence suffer under numerous tensions of economic competition or differences in armaments policy. Almost always, and this is true for West and East, a more or less pronounced challenge to the respective leading powers is involved. The Soviet Union is no exception. It has had and is continuing to have a hard time with its allies. In this connection, probably nothing will change in the future; there is much to indicate that if anything times will become more difficult. To a large extent, such rebelliousness and such major or minor cases of heresy can be attributed to the process of the erosion of political power, to which every world power is subjected sooner or later and which cannot be handled with military power alone.

In contrast to the universal organizations, it is probably no exaggeration to state that the overwhelming majority of the military alliances owe their formation to the East-West conflict in the broadest sense. So it is not surprising that after a lessening of this conflict no new multilateral alliance came into being that either resulted from an expressly military purpose or that was permanent. The groupings analogous to alliances that have come into being almost always had a goal other than military. Usually it was economic in nature, as is true in different ways for the Association of Southeast Asian Nations (ASEAN) or the Gulf Cooperation Council (GCC), for example, whereby it is characteristic that a military component was later appended to both.

Against this world political background, NATO and the Warsaw Pact, the two most important and stable alliances, appear as exceptions, as more or less solid structures in the midst of international quicksand. Although in different ways, both remain a function of the continuing East-West antagonism and arms race. The Warsaw Pact also remains the result of an undiminished security requirement of the Soviet leading power and its equally undiminished interest in the most comprehensive and many-layered control of the East European forefield possible. These mutually interlacing and reinforcing interests, however, must be sobering for anyone whose desk visions all too easily revive ideas of a neutralization of central Europe, a dissolution of the alliances in Europe, or a withdrawal of both world powers from its core region. To a considerable extent, it is deeply regrettable that such visions remain visions at best. Unfortunately, however, this observation is part of the balance of our postwar Europe in general and of the Warsaw Pact in particular.

This having been said, one may--the second time through, as it were--diagnose changes, frictions and failures in the Warsaw Pact as well. They indicate that there too the last 30 years did not pass without leaving their mark and that it was not only an object of international politics but, in a certain sense, also led its own life and experienced growth problems. Older now, it will not be able to avoid circulatory problems.

#### Opposing Tendencies

We have already suggested the most important change: an erosion of the influence of Soviet power, produced and intensified by a decline in the effectiveness of those instruments with which the East European allies are controlled and kept in line. It is thereby difficult to distinguish what was cause and what was effect: Moscow's willingness to give somewhat more latitude to the identity and individuality of these allies, that is, to allow a certain "renationalization," or the repeated waiting in the anterooms of an at times irresolute Soviet leadership by the other East European nations, indicating that it should gradually begin to give more consideration to national needs here and there. The result of both, in any case, is a diversification of the Eastern bloc, which was never as monolithic as many wanted to believe but in which Moscow's tools of coercion and influence were more stratified and probably also more effective than today.

In the second half of its existence, then, the Warsaw Pact became both the stage and the mirror image of two opposing currents: on the one hand, the insistence on as much coherence and community as possible and, on the other hand, the necessity of adaptations and a certain respecting of national differences. The East European regimes did not always write the latter on their banners completely voluntarily in shielding themselves from pressure from below, from the populace. In the case of the first goal of continuity and solidarity, they were, in the final analysis, in agreement with the Soviet leading power. The if necessary joint defense of the "socialist achievements," ideologically supported by the acknowledgement of "socialist internationalism" (more popularly, if that is the term, of the "Brezhnev doctrine"), also forms the not-undesired reinsurance for them, for which--in an unforeseen manner--the Pact is to serve as the framework.

The Pact has always had to deal with these two opposing tendencies without there ever being any chance of resolving the resulting tension. The reason for this, of course, is the combination of the communist system and the Soviet Russian mentality, a combination in which the pretensions to monopoly and predominance are contrary to any thought of cooperation as partners and decentralization. Nevertheless, it would be too simple to see the Warsaw Pact only as a one-dimensional instrument of Soviet power politics. It is that too. But it is or gradually became something more than that.

One can suppose that the Pact's East European member states use the groups of the Pact to advance their specific interests, albeit in different ways. On the basis of previous experience, it is disputed the extent to which the Pact has attained the function of crisis prevention or even crisis management in times of internal tension. It certainly did not fulfill such a task in the fall of 1956; there were tendencies in this direction during the Prague spring but again hardly during the Polish crisis.

So one should not overlook the narrow limits to political consultation or even coordination among the Warsaw Pact countries (or among some of them). It is true, of course, that the Pact has received additional tasks over the years and in adapting to new requirements. Thus it has long since gone beyond its original main task of being a "protective wall against West German revanchism" and has become a generally accepted pillar of strategic parity. But the mentioned narrowing and shifting of Soviet possibilities for disciplinary action in the Eastern bloc has increased its function in maintaining order within the bloc. And finally, detente in East-West relations and the resulting conference diplomacy have given an unexpected lift to the political role of the Pact. Half pushed and half pulled, it has thus become a component of the strategic political system of still-divided Europe in the last quarter of this century, a component that can neither be overlooked nor avoided.

#### Enlargement of the Pact Organization

In the course of these changes, the Pact organization has also given itself new agencies (in this connection, compare Jens Hacker, "Der Ostbloc, Entstehung, Entwicklung und Struktur 1949-1980" [The Eastern Bloc. Formation, Development and Structure 1949-1980], Baden-Baden, 1983, especially beginning



p 871). That occurred in two stages. In 1969, a Committee of the Defense Ministers, a Military Council of the Integrated Armed Forces, and a Technical Committee for the Coordination of Military Research and Development were founded. They were created in the shadow of the Czechoslovak experience, clearly aimed at a strengthening of military cooperation and control. In a manner of speaking, politics followed in 1976: a Committee of Foreign Ministers and an Integrated Secretariat were added or attached to the Political Advisory Committee. Here, with a view to the beginning negotiations in the framework of the Conference on Security and Cooperation in Europe, an institutional improvement of political cooperation seemed desirable both domestically and externally.

Moscow was not successful in expanding the geographic scope of the Pact--neither to the Asian part of the Soviet Union nor to other areas outside of Europe. At least two attempts were made at this: once when Khrushchev tried to make the Mongolian People's Republic a member and again in the striving--by appealing to their membership in the Pact--to encourage the people's democracies to show solidarity with the Soviet Union in its conflict with Beijing. Both attempts failed because of the opposition of some East European ally or other. As far as one can see, then, the Pact remains concentrated on the European theater and place of action, despite or probably precisely because of the rise of the Soviet Union to a globally active and committed military power.

In the true sense of the word, the mentioned decisions to establish new agencies were not reforms, as they are often called: the Pact is and remains unchanged in its basic structure and purpose. The guiding idea of this expansion was, on the contrary, to give the Pact some agencies that at least formally take into consideration new requirements and tasks but that also comply with the status wishes of the non-Soviet members. It is questionable the extent to which the Soviet Union as the leading power profits from these new creations. It was never a friend of multilateral relations and institutions and may well, if need be or in case of subordination, generally prefer a direct "tete-a-tete."

Nevertheless, the increase in the number of Pact agencies that is proclaimed as a reform has caused many observers to see the Pact as an alliance quite capable of change. As was said, closer inspection reveals that it is not. And in this respect, it is not so very different from other military alliances.

The actual changes may be less spectacular but they are just as significant as they are characteristic of the military trends of the last 10 to 15 years. It is not surprising that they are in the strategic and armament area. In this connection, I see four of them as especially notable:

--the modernization of the armed forces, especially the armed forces belonging to the "iron triangle" GDR-Poland-CSSR;

--the development of new strategic concepts that also concern the function and place value of the armed forces of these nations and their integration into the Soviet command structure;



--the not always discreet attempts at emancipation of some member countries in the foreign policy field;

--the attempt at a more balanced burden sharing both in defense expenditures and in acceptance of tasks outside the scope of the Pact, first of all in the "Third World" (what is called "out of area activities" in NATO terminology).

#### Modernization of Armed Forces and Armament

For a long time, the armies of the East European member countries were the stepchild in regard to an improvement of the quality of their equipment. That naturally has to do with the fact that there are hardly any armaments plants in the people's democracies that are suited or authorized to produce their own heavy weapons. Moscow's allies were and are dependent upon Soviet help. This help has been given in past years, although in amounts that vary from country to country. In recent years, not only the Soviet but also the other East European troops have been equipped with modern material on a large scale. This is the case, for example, for the air force and the air defense units that today have largely been integrated into the Soviet early warning and air defense system (PVO Strany). Accordingly, an effort is also made to ensure that they do not fall too far behind the Soviet units with respect to technical equipment and training. Thus the East German, Polish and Czechoslovak air forces have MIG-23 combat aircraft. In the scope of a modernization including all service branches, these countries received the up-to-date Soviet T-72 tank.

The allegation made by Helene Carrere d'Encausse in her latest book (Helene Carrere d'Encausse: "Le grand frere. L'Union sovietique et l'Europe sovietisee," Paris, 1984, p 319) that the Soviet Union has neglected its allies somewhat in regard to armament is therefore no longer true. The far too summary assertion of a general "standardization" of the Warsaw Pact armed forces made by her and other authors must likewise be put in the proper light. On the basis of the already-mentioned lack of large arms industries in Eastern Europe, there is naturally a relatively high degree of uniform armament in the Pact. As John Erickson states, however, it is neither as complete nor as automatic as these authors believe. Thus the CSSR has had a substantial capacity for the production of a number of weapons and equipment since the time before World War II; the Polish shipping industry is very well developed, even if it is strongly keyed to Soviet models; the GDR produces computer equipment and vehicles for logistical requirements, etc.

This and the Soviet practice of retaining all weapons, whether old or new, have led to an astounding multiplicity of generations of tanks, different calibers of guns, armored personnel carriers, etc. (John Erickson: "The Warsaw Pact--the Shape of Things to Come?" in: Karen Dawisha, Philip Hanson, Eds.: "Soviet-East European Dilemmas: Coercion, Competition, and Consent," London, 1981, p 163). In the case of the licensed production of Soviet weapons in East European factories as well, there are delays and squabbling, something that we are also quite familiar with in the civilian sector. All of this should merely indicate that the costly and--from the Western point of

view--alarming modernization in the armament of East European armed forces has reduced their dependence upon Soviet arms in many sections. In addition, the exaggerated opinion of the complete uniformity and standardization in the Pact needs to be seen in the proper sight. Whereas the former is often underestimated, one has a tendency to overestimate the latter. Both reconfirm the fact that "on the other side" as well many things are more complicated than black-and white thinking wants to admit.

#### New Military Doctrines

In evaluating the change and thrust of Soviet military doctrines, we are taking on an even more abstruse area (in this connection, compare, among others: William E. Odom: "Soviet Force Posture: Dilemmas and Directions" in PROBLEMS OF COMMUNISM, No 4, July/August 1985, pp 3-14; and N.V. Ogarkov: "Always in Readiness to Defend the Fatherland," Voenizdat, Moscow, 1984). As is understandable, there is much and perhaps too much speculation about them in the West. They are mentioned here because they help to explain the nature of the modernization of the (conventional) Pact armed forces and their structural integration into the command system of the Pact. For most Western observers have no doubt that this modernization involves a striving to achieve the capability, in the event of a conflict, to knock out all important military installations in Western Europe before nuclear weapons can be employed. For the purpose of such far-reaching strikes that can penetrate far into the interior of the West, the Soviet Union has again picked up and expanded the concept of the "operational maneuver groups" (OMG), improved the command and control of supply services, and noticeably increased the mobility and firepower of the Soviet airborne divisions.

Directly or indirectly, the position and tasks of the other Pact armed forces are affected by these changes. That affects their objectives within the operational concept of the revived high command in the area of the "teatr voyennykh deystv" (TVD) and, for the overall East European theater, of the "teatr voyny" (TV). Both aim at supporting the complicated task of the coordination of all units on land and in the air and with missiles and air transport units on several fronts. Under the assumption of selective and rapidly executed thrusts, it is probable that selected non-Soviet Pact armed forces will be delegated certain tasks within the scope of these TVD's. That could mean that they would receive more offensive functions than one would expect on the basis of their previous armament and training. While still in peacetime, the new command structure would allow Moscow to establish and coordinate a clear command and operations organization for its own and the non-Soviet armed forces of the Pact designated for this purpose. Just as in crisis operations within the Pact, operational control remains in the hands of the Soviet command and the leeway of the other East European armed forces is greatly limited.

These doctrinal and structural changes in the Warsaw Pact have intensified those tendencies in NATO that, with the aid of new technologies, foresee appropriate countermeasures far behind the front of the Warsaw Pact. Strategies known under the designations "Air/Land Battle 2000" and "Follow-on Force Attack" (FOFA) would be applied that provide for the use of highly

effective weapon systems mainly--unavoidably and unhappily--against the East European countries as primary target areas. Thus the "boomerang" of an increasingly offensively oriented Soviet doctrine could have repercussions on its East European allies.

In a certain sense, this dialectics is also valid for the deployment of additional intermediate-range ballistic missiles that the Soviet Union has undertaken in the territory of the GDR and CSSR in retaliation--as it says--for the stationing of Pershing 2 missiles and cruise missiles in Western Europe. Both of the affected countries have hinted more or less clearly that they are by no means pleased about this additional nuclearization of central Europe.

Whatever the case, the deployment of Soviet intermediate-range ballistic missiles (of the types SS-21, SS-12/22 and SS-23 "Scud") is also linked with an upgrading of their function in the Soviet nuclear strategy without their being granted even the slightest say in regard to the utilization or nonutilization of these weapons.

Therefore, when one speaks of integration, or perhaps better, of "quasi-integration" (as John Erickson calls it), then one finds it in the conventional area only. That is also expressed in the growing number of multinational maneuvers and in the systematic training of East European officers in Soviet command academies. Whether and the extent to which this welding together helps to form a sense of community and loyalty can probably be seen only in times of acute conflict. Doubtless there is in the Pact a solidarity among the military supported by camaraderie and common privileges that can be used politically as well. Again and again, however, this solidarity is counteracted by the continued existence of purely national commando structures and an unstilled national pride or even nationalism.

#### Signs of Emancipation in Foreign Policy

The unresolved dilemma between the necessity of following and the wish to emphasize national identity continues at the political level. Here as well, the development of all sorts of political consultation aims at greater cohesion and coordination in the political conduct of the member nations. To be sure, it is thereby not so much the Political Consultation Committee as the highest Pact agency that plays the leading role--its meetings are too infrequent and too formal for this. Rather it is the subordinate or secondary agencies such as the Committee of Foreign Ministers and Defense Ministers that have a coordinating function.

An institutionalization has taken place here that was scarcely imaginable in the first half of the existence of the Pact (in this connection, compare Robert L. Hutchings: "Foreign and Security Policy Coordination in the Warsaw Pact," reports of the Federal Institute for East Scientific and International Studies, Cologne, 15/1985). Nevertheless or perhaps also because of this, this coordination is probably lagging behind Soviet wishes. In the last years of the Brezhnev era and that of his two sick successors, a process of the quiet emancipation of some people's democracy or other has taken place in the

foreign policy field as well. Here, of course, "emancipation" is to be understood in an extremely restrictive sense: in the sense of a shading of or discreet disassociation from Moscow's official course. This right to a--limited--deviation was justified by Matyas Szuros, a member of the Hungarian Politburo, in Februar 1984 with the statement that Moscow is not the center of world communism and that the East European countries had the right to make use of specific possibilities in formulating their own foreign policy (cited by Charles Gati, "Soviet Empire: Alive But Not Well," in PROBLEMS OF COMMUNISM, No 2, March/April 1985, p 78).

Behind this is the view obviously shared in other people's democracies as well that the hardening of Soviet-American relations should not be allowed to affect the entire painstakingly woven network of relations between East and West. In every capital, from East Berlin to Bucharest, there are enough reasons for annoyance and discontent over a clumsy as well as unfortunate Soviet foreign and armaments policy. And from time to time this has also been expressed in unaccustomed candor.

Such signs of protest will be noted with care but also with interest either as long-pent-up discontent or as merely fleeting events caused by circumstances. Moscow has an effective means of taking disciplinary action, especially in the area of economic policy. There are also indications--still rather contradictory--that General Secretary Gorbachev could again get a firmer grip on the old guard of the East European leadership. It is nevertheless important in our connection that even a quite well developed mechanism for consultation and coordination cannot prevent centrifugal tendencies or even discord. Again the question is whether these mechanisms serve to head off differences of opinion or whether they unintentionally actually facilitate these differences.

#### Support of Soviet International Politics

The fourth area in which changes have been looming for some time concerns the ticklish question of a more balanced distribution of burdens and commitments among the Pact nations. This is true not just for the attempts regularly undertaken by the Soviet Union but seldom very successful to get its allies to spend more on defense. These efforts already have a rather long history: Anyone seeing what percentage of gross national product these expenditures are (to the extent that this can be determined at all, see "The International Institute of Strategic Studies. The Military Balance 1984-1985," London, 1984, p 140) will note that the East Europeans find it even more difficult to meet the demands of their leading power than the West Europeans do those of the United States.

More recent and probably more interesting are trends indicating a certain division of labor in commitments outside the territory of the Pact. There have already been forerunners here as well. And it was almost unavoidable that the Soviet Union, in the course of its extensive worldwide political, military and economic engagements, would involve its East European allies in honoring them. It is not easy to determine to what extent and in what scope it has been successful in doing this. It is clear that where the individual

countries participate in or support certain actions by Moscow they generally do so in an area in which they have something special to offer: the GDR obviously in the training of police and security forces (including the protection of friendly heads of state; see Hans-Joachim Spanger: "Military Policy and Military Engagement of the GDR in the Third World," in DEUTSCHLAND ARCHIV, 8/1985, pp 832-845); the CSSR in supplying military material; Romania, because of its special kind of nonalignment, has sometimes undertaken mediation services in the Middle East and Poland's strength is merchant shipping, which is able to provide valuable delivery services for the people's democracies poor in raw materials.

To be sure, there are signs that the various actions of the Pact nations outside of Europe originate in one of the named agencies. But they are almost always based upon bilateral arrangements with the Soviet Union, generally in the framework of a special agreement (J. Erickson, loc. cit., p 150). The Soviet Union thus appears to be quite aware of the value of a different utilization of its allies (including Cuba) in the "Third World" in accordance with place and need. But it prefers--and one can understand why--to do this outside of the cumbersome and less discreet Pact organization.

This is probably true for the people's democracies as well. In recent years, they have been relegated more and more to ties with Third World countries: to the extent that Soviet raw materials either become more expensive or are more severely rationed (or even both at once), non-European suppliers become more attractive. This explains the rather close ties that the CSSR and Romania, unencumbered by ideological scruples, maintained even with the Shah's Iran; here one finds additional reasons for the GDR's active engagement in southern Africa and for the success of the Polish merchant fleet.

Whereas one undoubtedly may assume fundamental agreement between Moscow and the people's democracies on the strategic goals vis-a-vis the Third World, such harmony at the lower level of primarily economic interests does not appear to exist everywhere and at all times. One can certainly imagine situations in which Soviet interests conflict with those of the GDR or Poland or Romania. If one adds East European uneasiness over the Soviet expedition in Afghanistan or the large-scale assistance to countries like Vietnam or Mozambique, then the result is a large number of friction points. Here Moscow's imperialism is demanding of the allies an additional quantity of solidarity, whose price is burdens of a new sort that are being introduced into the Pact from the outside, so to speak.

## Outlook

One hardly needed the solemn anniversary and renewal session in Warsaw in the spring of last year to predict a longer life for the Warsaw Pact than its founders had provided for in 1955. It belongs, as does its NATO counterpart, to the numerous residues of the East-West antagonism, which will not disappear by themselves without the elimination of this antagonism. The Pact was extended but not renewed; it was consolidated in the second half of its life but not reformed. For good or bad, the East Europeans, and we along with them, will have to live with it beyond the threshold of the second millenium.



Nothing, including visions of a neutralized intermediate Europe, will fundamentally change that fact. A mere glance at the previous unbridled armament will show that this is not an edifying prospect.

This is linked with another inference intended as a question: How will this pact be dealt with by a Soviet Union that has reached the zenith of the development of its power, if it has not already passed it, and that faces gigantic domestic tasks and troubles and thereby presumably has less time, patience and money for its difficult allies? Will a Soviet Union with so many demands on it be a tolerant or a more demanding hegemonic power? Gorbachev is still favored by great expectations. But anyone who tries to put himself in his place and looks toward Eastern Europe will find many reasons that suggest to him the utility of the Pact as an instrument for the imposition of discipline.

Thirdly, in the framework of negotiations on European security and arms control, the Pact will play at least as large a role as it has in recent years. It is not true that measures to reduce arms and armed forces automatically cause blocs to melt away as well. Quite the opposite can be the case: the alliances can form the institutional framework that makes such measures equally and mutually controllable. It would be overstraining the by no means so solid political solidarity in Europe if one wanted to achieve both at once--arms control and a dismantling of the pact system.

In the fourth place, we must assume that economic constraints will continue to relegate and bind the people's democracies to the Soviet Union. It, in turn, will not fail to use this lever to maintain political cohesion among the bloc countries. The tolerance for economic reforms is very narrow here: both on the part of Moscow and in terms of what the regimes of the individual countries can handle. Nowhere on the East European horizon do I see a trend indicating that a loosening of the political structure in the Pact could ultimately be achieved indirectly through economic performance and greater independence from Moscow. This is clearly in contrast to opposite tendencies within the Western alliance.

So almost paradoxically the Warsaw Pact remains probably the only military organization of strategic importance that can prove its indispensableness with the aid of mutually reinforcing and self-perpetuating strategic and political arms-control, system-immanent and economic reasons. This being the case, the actual decisive impetus for a dismantling of the Pact--the establishment of a liberal system in Eastern Europe--must again and again and for the foreseeable future recede into the background.

9746

CSO: 2300/297

MILITARY

BULGARIA

# EDITORIAL DWELLS ON IMPROVED LIVING CONDITIONS IN ARMY

Sofia NARODNA ARMIYA in Bulgarian 10 Mar 86 pp 1, 3

[Article by Col Gen Stoyan Subev, chief of the Rear Services of the Bulgarian Peoples Army: "Routine and Combat Readiness"]

[Text] Concern for man and for his prosperity is a long-range strategy of the BCP stemming from the essence of the socialist social system. This has always been the sense and basic content of the policy of the party and our socialist motherland. This policy was particularly apparent after the historic April Plenum of the BCP Central Committee which provided the necessary conditions for an even broader solving of the problems of the party's social policy for an ongoing rise in the prosperity of the people.

The April line for increasing the standard of living was developed and concretized in the BCP Program adopted at the 10th Congress. In carrying out this strategy, a special place was held by the December Plenum of the BCP Central Committee in 1972 which approved a comprehensive long-range program for increasing the standard of living of the people.

The years which have passed since the 12th Party Congress have been productive. Neither the international situation which has been made more complicated due to the fault of imperialism nor the continuing severe drought could shatter the will, tenacity and determination of the party and the people or halt the steady ascent of the nation. The years to come will be even more fruitful. A dependable guarantee for this is the recently published draft of the Theses of the 13th BCP Congress where it is pointed out that "during the Ninth Five-Year Plan, on the basis of the technological reequipping, intensification and growing economic opportunities the standard of living of the people will continue to improve further." The draft theses give rise to activity and profound satisfaction among the entire people, including among the men of the BNA [Bulgarian People's Army].

At the same time, in assessing the international situation, the national tasks and the international responsibility of our country, the draft theses emphasize: "Concern will be continued for increasing national defense, the defense capability of the Armed Forces of the BNA as well as for increasing their contribution to strengthening the defense might of the Warsaw Pact."



Under present-day conditions, the might of our army and its combat readiness have immeasurably grown. The demands on the moral and combat qualities of the personnel have been constantly rising. Scientific and technical progress have fundamentally altered the organizational structure of the Army and Navy, the balance between the different armed services and branches of troops as well as the methods of their combat employment. The working conditions of the personnel from the various specialties have been substantially altered. Also changed is the social make-up of the recent youths who have been called up to serve their military duty in the ranks of the BNA.

All these factors dictate the necessity of a new approach in solving the tasks of material support, medical services and an all-round improvement in the everyday routine of the men. We must not forget, however, that military daily routine is not only a sphere of economic activity but also a complex political concept with broad indoctrinational and cultural components. In the creation of the military personality, the relations established in daily routine are of great importance because they help to shape in each man the qualities required of the armed defender of the motherland.

Troop daily routine is largely influenced by many factors but it basically depends upon the degree of development of the productive forces and the production relations in the country. The higher their development, the more means which can be allocated to improving life in the home barracks and creating conditions for restoring the forces of the men after intense exercises and drilling.

There have been major changes in the material aspect of troop routine between the 12th and forthcoming 13th BCP Congress. There has been constantly growing concern shown by our party's Central Committee and Comrade Todor Zhivkov personally for the development of the BNA, for the training, indoctrination and realization of the armed defenders of our socialist motherland.

During the years of the Eighth Five-Year Plan extensive construction of barracks, training and amenity buildings was carried out and this created better conditions for the training and life of the men. At present, there is not a barracks area which has not been fundamentally transformed. A significant portion of the construction was carried out by the direct labor method, with the men and equipment of the BNA. As an example in this regard we might point to the commanders and rear bodies of the units where Officers Khristov, Radulov, Stefanov, Marinov and others serve.

Great concern has also been shown for providing the officers and non-commissioned officers with housing. During the years since the 12th Party Congress, several thousand apartments were made available for the needs of the servicemen and military employees and of this number more than one-half was assigned for the needs of young families. The servicemen in the remote and border garrisons have been fully provided for. During the Ninth Five-Year Plan, there is to be the further satisfying of the needs of the servicemen for housing and comprehensive amenities for everyday life, with preference being given to resolving the needs of young and large families.

Fundamental changes have also occurred in the feeding of enlisted personnel. The efforts of the Ministry of National Defense and the rear bodies have been aimed at a comprehensive and immediate solution to the problems and tasks in food supply by the fullest utilization and introduction of scientific achievements in the area of nutrition. On 1 January 1986, a new table for nutrition of servicemen has gone into effect.

Major advances have been won in public dining. Just during the 1981-1985 period, 14 new messes went into operation, scores of others were reconstructed and modernized and the number of persons on mess increased by 21 percent. On the one hand, the quality and diversity of the prepared food have improved and, on the other, new sources and reserves have been constantly sought for fully solving the problem of reducing the cost of food for the men on mess.

There has been a significant rise in the self-supply of the BNA with meat, milk, fruits and vegetables. Reconstruction and modernization have been carried out on the existing physical plant of the troop and mess farms and the newly created facilities last year provided double the amount of meat, eggs and vegetables for the needs of the army in comparison with 1980.

During the Ninth Five-Year Plan, the efforts of the rear bodies will be aimed at further developing the system of self-supply in the BNA and at improving troop and public dining.

Positive changes have also occurred in uniform supply. The range of articles has been diversified, new uniforms have been introduced for sports and tourism as well as other articles within the set limit. From 1983, a standard method was introduced for producing the uniforms of the officer and NCO personnel. From the start of 1984, in the remote garrisons the families of servicemen were permitted to use the services at the quartermaster workshops, the troop baths and laundries at the prices set by the local people's councils.

During the years since the 12th Party Congress, exceptionally much has been done to improve the medical service of the personnel. By new construction, reconstruction and modernization, well equipped medical stations are functioning in virtually all units. During the same period a new building of the VVMI [Higher Military Medical Institute] was built and put into operation in the capital, and new patient and operating units were completed in certain other garrisons. Equipped with modern medical instruments and modern methods of research and treatment and under the skillful leadership of highly skilled specialists, the military medical facilities in our nation are capable of promptly restoring the health and capacity for work not only of the servicemen and their families but also a significant contingent of the civilian population.

The organization of recreation has been improved. In recent years, the military recreational clubs in Kavaklar and Varna-2 were basically reconstructed and modernized. Reconstruction of the club in Govedartsi was also completed. There are plans to construct a new impressive club in Varna with open air swimming pools with mineral water, providing central heating to clubs Nos 1 and 2 in the same facility in the aim of converting to year-round operations. New forms of recreation have been introducing including hiking

excursion holidays and camping by the sea. The short leave system has been improved with the number of servicemen using this system increasing by several-fold.

Providing normal routine conditions during field exercises and drills have held an important place in the work of the commanders, political bodies and rear bodies, in realizing that field life of the troops has its specific features determined by the conditions approximate to those under which they will have to fight in real combat. In recent years a good deal has been done to improve the routine amenities for the servicemen under field conditions. Various types of tents and campaign beds with improved functional indicators and qualities have been introduced. We are in the process of troop testing for a new, standard camouflage field uniform with which the entire personnel will be supplied by stages.

The designated results in troop everyday routine are indisputable and show that at present the servicemen of the BNA live and train under conditions which are much better than at any other time. For this reason, an enormous majority of the servicemen show unceasing concern and do everything within their power to carefully protect and safeguard military property. As a positive example in the struggle to maintain good routine conditions and for a socialist attitude toward public and military property we might mention the military collectives where Officers Kolev, Subev, Yanakiev and a number of others serve.

Certainly, the level reached must not satisfy us. It is a good basis which we must follow and continue on in the aim of establishing even better conditions for recreation and leisure. Moreover, both in the nation and in the army, phenomena and facts are encountered which run contrary to the socialist laws and socialist morality, to the requirements of the regulations and instructions.

The alarm with which our first party and state leader, Comrade Todor Zhivkov, spoke of the presence of negative phenomena and distortions in various spheres of our socioeconomic life is understandable.

It is no secret that in certain subunits mismanagement and embezzlement of materiel are committed as well as overexpenditures, abuses and graft.

The main reasons for the negative phenomena are linked to insufficient work on the part of certain commanders, the staffs, the political bodies, the rear bodies and services in protecting and safeguarding socialist property and in organizing and conducting internal control.

Where must we direct our efforts in the struggle to improve everyday conditions and establish in the men a socialist attitude toward public property?

First of all, the commanders, political bodies, the rear bodies and the bodies of state and people's control and each man must direct his efforts at preventing negative phenomena in the material sphere of everyday life. Here an enormous role is to be played by preventive work which in addition to

preventing direct encroachments on socialist property, also presupposes active aid in carrying out the party decisions, the regulations, normative documents, instructions and orders of the commanders and chiefs. With particular acuteness a struggle must be waged against theft, mismanagement and wastefulness which cause not only material losses to the state but also have a negative impact on the BNA personnel, in causing irreparable moral harm.

We must substantially increase commander and community exactingness shown toward the negative phenomena and manifestations, and openly contest anyone who wastes money and abuses the trust shown him.

Without going into detail, let me emphasize that under present-day conditions, when the saturation of the troops with complex and expensive weapons and military equipment is constantly growing, the struggle for savings, for the most rational and thrifty expenditure of materiel and finances, fuel and energy assumes particularly important significance. The heart of this struggle consists in the correct preservation, the exercising of all-encompassing and strict control and reporting in issuing and use, the preventing of overexpenditures and wastefulness, the observance of the strictest labor, financial and production discipline, the accelerated introduction of the results of scientific and technical progress and ultimately high awareness on the part of all the personnel. That unutilized reserves actually exist can be seen from the fact that in 1985 alone, the BNA saved more than 10 million kilowatt hours of electric power, 15,000 tons of fuels and lubricants and so forth. But this is merely a good start. There are opportunities for saving materiel in other areas of our diverse rear activities.

The successes in establishing even better troop routine depend exceptionally much upon the activity of the party bodies and upon the militancy of the party, trade union and Komsomol organizations. They must mobilize the communists and Komsomol members and all the Army and Navy community in carrying out the tasks of our everyday routine. The BNA possesses everything necessary for the all-round and complete ensuring of the combat readiness and everyday routine of the troops. It is essential that all of us, from the soldier to the general, be profoundly aware that the questions of improving everyday routine depend primarily upon we ourselves, upon our initiative, creativity and tenacity in the struggle for exemplary troop routine.

Our socialist motherland is in an exceptionally important period, when new ways are appearing in its socioeconomic development. The course outlined by the BCP for carrying out the scientific and technical revolution corresponds to historical necessity and to the stage which has been reached by our country. Undoubtedly, the commanders, the political workers, the staff officers, the communists and Komsomol members and all the personnel of the BNA will show high maturity and the ability to meet the most complex tasks which have been posed by the party in further strengthening national defense, for properly celebrating the 13th BCP Congress and turning its decisions into concrete military deeds.

10272

CSO: 2200/89

MILITARY

BULGARIA

## REGULATIONS FOR ADMISSION OF STUDENTS TO MILITARY ACADEMIES

Sofia NARODNA ARMIYA in Bulgarian 10 Mar 86 p 2

[Regulation Governing the Admission to Higher Military Schools and Scholarship Holders of the Ministry of National Defense for the 1986-1987 Academic Year]

[Text] A. Regular Instruction

### I. Conditions and Documents for Application

1. As applicant officer candidates for the higher military schools of the Bulgarian People's Army [BNA], young men are accepted who meet the following conditions:

- a) Have a complete secondary education;
- b) Have a correct political orientation;
- c) Are Bulgarian citizens;
- d) Are fond of military service;
- e) Are active Komsomol members;
- f) Are physically strong;
- g) Are not older than 23 and for pilot applicants 21 (age is determined as of 1 September during the year of application);
- h) Are not married;
- i) Do not have a criminal record and are not under indictment and investigation;
- j) Have been recommended by the unit commander (for servicemen);
- k) Career servicemen are to have a general diploma grade of at least "very good" (5.00) and at least 1 year of service in the BNA by 1 September 1986.

1) Applicants for the specialty "Motorized Rifle Troops -- People's Militia" are to be over 1.70 m tall and recommended by the MVR [Ministry of Internal Affairs] bodies.

2. Each young man has the right to apply for all specialties (ranked by preference) to one, two and three higher military schools. Young men who apply to two higher military schools are required to designate as their first choice the G. Benkovski VNVVU [Higher People's Air Force School] or the N. Y. Vaptsarov VNVMU [Higher People's Naval School] and as the second the V. Levski VNVU [Higher People's Military School] or the G. Dimitrov VNVAU [Higher People's Military Artillery School] or as the first the G. Dimitrov VNVAU and as second the V. Levski VNVU, while applicants for three higher military schools give as the first the G. Benkovski VNVVU or the N. Y. Vaptsarov VNVMU, as the second the G. Dimitrov VNVAU and as the third the V. Levski VNVU.

3. Each applicant officer candidate submits through the chief of the military directorate where he is enrolled to the chief of the appropriate higher military school the following documents:

- a) A petition for admission to the competitive exam;
- b) A competition slip on which the applicant for officer candidate without fail ranks the specialties for which he wishes to be classified;
- c) An autobiography;
- d) A declaration that he will serve at least 10 years in the Bulgarian Armed Forces or in departments for which he may be needed.

(Sample blanks for the documents mentioned up to this point can be obtained from the military directorate.)

- e) A diploma showing a completed secondary education or a copy of it.
- f) A birth certificate;
- g) A certificate showing no criminal record;
- h) A pedagogical (service) recommendation for application to the higher military school which is signed by the school principal (the leader of the department, economic organization or institution), the party and Komsomol leadership where the applicant has studied (been employed). The recommendation is submitted personally by the applicant in an envelope under a seal.
- i) A document showing any preference for admission (if the candidate has the right to preference);
- j) For the specialty "Motorized Rifle Troops and People's Militia," a certificate that he has been discharged from the appropriate MVR bodies.



When more than one higher military school is being applied to, all documents are sent to the first school while only the petition and the competition slip are submitted to the second and third.

Servicemen who are applicants for officer candidates submit the enumerated documents through the unit commander.

The documents of servicemen submitted as applicants to a military school together with the health booklet, copies of the military booklet showing given commendations and imposed penalties as well as the service recommendation are sent by the commanders to the military directorates from whence the servicemen have been sent for service.

Applicants for the specialty "Motorized Rifle Troops and People's Militia" are to submit prior to 30 March 1986 to the personnel services of the MVR units at their place of residence a petition for admission to the competitive exam. After receiving an affirmative reply, they are to submit the documents according to Point 4 of the current directive.

Petitions to which all the necessary documents have not been appended or are not clearly filled out are not accepted.

4. The dates by which the applicant officer candidates are to submit their documents to the military directorates are:

- a) Up to 4 June for those who have completed their secondary education prior to 1986 as well as for servicemen;
- b) Up to 15 July for those who have completed their secondary education in 1986.

Documents are not to be accepted after these dates.

5. For applicant officer candidates, soldiers and students of the NShZO [National Reserve Officers School], preparatory courses for the higher military schools are to be held and prior to these the applicants are to have submitted their documents. The preparatory course for the applicant officer candidates to the G. Benkovski VNVVU and the N. Y. Vaptsarov VNVMU are held from 9 July 1986 and for the V. Levski VNVU and the G. Dimitrov VNVAU from 10 July 1986.

The documents of the applicants who are regular enlisted personnel are to be sent by the military directorates to the higher military schools no later than the beginning of the preparatory course.

## II. Competitive Exams and Tests

1. The competitive exams, the testing of physical and psychophysiological qualities and medical exams are conducted at the higher military schools where the applicant officer candidates have submitted their main documents.

2. Applicants to the G. Benkovski VNVVU and the N. Y. Vaptsarov VNVMU are



obliged to report to the appropriate school no later than 1400 hours on 4 August 1986 and those applying to the V. Levski VNVU and the G. Dimitrov VNVAU no later than 1400 hours on 10 August 1986.

Applicants for the specialty "Pilot" are obliged to report to the G. Benkovski VNVVU no later than 1400 hours on 22 July 1986.

Young men who have applied to the G. Benkovski VNVVU and the N. Y. Vaptsarov VNVMU and who received poor results on their written competitive exam may report to their second preferred military school but no later than at 1400 hours on 15 August 1986; those who received affirmative results but were not admitted should report prior to 1400 hours on 18 August 1986 and to the third school no later than 1800 hours on 21 August 1986.

3. Applicant officer candidates for all higher military schools are to take two written exams -- one in a special subject and a second in social sciences.

4. The special subjects for which competitive exams are given are:

- a) For a political specialty -- history of Bulgaria;
- b) For a political specialty at the N. Y. Vaptsarov VNVMU -- mathematics;
- c) For the specialty "Chemical Troops" -- chemistry;
- d) For all remaining specialties -- mathematics.

The competitive exams are to be held according to the programs for competitive exams approved by the Ministry of National Education and published in the first volume of the Manual for Student Applicants. For the specialty "Chemical Troops" following the program for chemistry for applying to universities and the chemical engineering VUZ [Institution of Higher Learning].

Applicant officer candidates for the specialty "Pilot" are to undergo psychophysiological testing following a special procedure. The psychophysiological qualities of the applicants are to be judged according to a 6-point system.

5. The time for testing the qualities of the applicant officer candidates and for the written exams is as follows:

- a) For the G. Benkovski VNVVU and the N. Y. Vaptsarov VNVMU:

From 5 to 9 August 1986, testing of psychophysiological and physical qualities and medical examination (for the "Pilot" specialty these tests are conducted from 22 July to 9 August 1986).

On 10 August 1986, the written competitive exam for mathematics.

On 12 August 1986, the written competitive exam for social sciences.

b) For the V. Levski VNVU and the G. Dimitrov VNVAU:

From 11 to 15 August 1986, the testing of psychophysiological and physical qualities and medical examination.

On 16 August 1986, the written competitive exam for mathematics.

On 17 August 1986, the written competitive exam in history (for the political specialty).

On 18 August 1986, the written competitive exam in social science.

On 19 August 1986, the written competitive exam in chemistry (for the "Chemical Troops" specialty at the V. Levski VNVU).

6. The physical qualities of the applicant officer candidates are to be tested according to disciplines and standards given in the following table:

Disciplines	Standards
1. Chin-ups	At least 6 chin-ups
2. 100 m of uninterrupted running from a standing start	Not more than 15.5 seconds
3. 1,000 m of cross-country race	Not more than 4.1 minutes

Dress -- athletic clothes (provided by applicant officer candidates).

The physical qualities of the applicant officer candidates are judged by either "Fit for the VUZ" or "Unfit for the VUZ." The judgment "Unfit for the VUZ" is given to the applicant officer candidates who do not meet the standards in two and more of the tested disciplines.

7. The testing of the psychophysiological qualities of the applicant officer candidates is carried out according to special procedures developed at the higher military schools. The psychophysiological qualities of the applicants are judged by "Fit for a VUZ" or "Unfit for a VUZ."

8. Medical exams are conducted according to the requirements of the Schedule of Illnesses and Physical Defects. Candidates for the "Pilot" specialty are to undergo special aviation medicine exam.

9. An applicant officer candidate who has received an evaluation of "Unfit for a VUZ" from the testing of psychophysiological and physical qualities or a medical exam is removed from further participation in the competitive exam at all VUZ. Those who have received an evaluation of "Fit for a VUZ" are permitted to take a written exam in the special subject.

10. An evaluation of "Fit for a VUZ" from the testing of the psychophysiological and physical qualities and from the medical exams of the applicant officer candidates and the grades of the written exam in the special

subject and social science obtained in the first higher military school, if they are positive, are accepted by the remaining higher military schools designated in the request of the applicant officer candidate.

11. An applicant officer candidate who has been ranked but who has not been admitted to the first higher military school (the G. Benkovski VNVVU or the N.Y. Vaptsarov VNVMU) can report for the written competitive exam in the special subject and in social science at the second higher military school. In this instance the result gained at the first VUZ is not considered. The obtained grades at the second VUZ are also valid for the third higher military school which has been indicated in the petition.

### III. The Organization and Holding of Competitive Exams. The Review and Grading of Written Work and the Formation of the Number of Competitive Points

1. The organization and holding of competitive exams are carried out at the corresponding higher military school by commissions appointed with the approval of the school head.

2. The competitive exams are held on interdisciplinary subjects. On the day of the exam, distribution of the applicants and the commissions over the hall is announced. The exams commence at 0800 hours and last 4 hours.

3. The written competitive exams are anonymous.

The applicant officer candidates who have reported after the announcing of the subject or who have not reported to one of the competitive exams (tests) and who have received a grade of "poor" on the special subject are deprived of the right to further participation in the competition.

With proven copying as well as in attempting to violate the anonymity of the competition, the written work is struck from the protocol of the chairman of the competitive exam and the applicant officer candidate is deprived of the right to further participation in the competition.

The results of the competitive exams are valid for participation in the competition only during the year in which they were taken.

4. Upon request the school provide official statements to the applicant officer candidates to validate the use of leave by them for reporting to the competitive exam.

5. The written works on the special subjects without fail are to be gone through in rooms set aside for this purpose by two instructors independently of one another. The works are graded with an accuracy down to 0.25. The graders draw up individual protocols for the grades of the written works. The protocols along with the written works are turned in to the chairman of the examination commission. On the basis of the two protocols, the final grade is given which is entered on the written work while the graders sign and write out brief reasons for the grade. If the difference of the two graders is 0.25, the final grade is rounded off in favor of the applicant and when the

difference is 0.50, the final grade is the mathematical average between the two grades.

If the difference in the grades of one work is more than 0.50, it is submitted for review by a mediator whose grade is final. The mediator records the grade and the reasons for it on the written work and signs this. He draws up a separate protocol for the works reviewed by him and signs this.

The written works from the examination in social sciences are graded by one grader with a grade of "pass" or "fail."

The applicant officer candidates who have received the grade of "fail" on the test in social sciences have the final number of competitive points reduced by one.

On every written work on social sciences the grader writes a final grade and signs this. Works with the "fail" grade are submitted to a mediator whose grade is final.

A written work which does not have any sign is nullified.

The results of the written competitive exams are announced immediately after the review of the written works. The announced grades are final. No repeat review and regrading is allowed.

6. The number of points for ranking is formed from the following grades:

- a) The doubled grade from the exam on the special subject.
- b) The overall grade from the diploma for a complete secondary education.
- c) The grades for two subjects from the diploma for a complete secondary education which are the basic ones for the specialty.

For applicants for the specialty "Pilot" the grade from the psychophysiological test is added to the number of points for ranking.

The diploma subjects the grades from which are to be included in the number of points are as follows:

- a) For the political specialty -- the history of Bulgaria and Bulgarian language and literature;
- b) For the specialty "Chemical Troops" -- chemistry and mathematics;
- c) For all remaining specialties -- mathematics and physics.

The number of points for ranking the applicant officer candidates for the specialty "Pilot" who have not been accepted and who have indicated in their documents other specialties at the G. Benkovski VNVVU and other VUZ is to be formed as for the specialties for which a competitive exam in mathematics is required.

#### IV. The Ranking and Admission of Applicant Officer Candidates

1. In admitting the applicants, the admission commission takes into account the following:

- a) The number of points received for the ranking;
- b) Their political and professional qualities;
- c) The results from the testing of physical and psychophysiological qualities;
- d) Their state of health;
- e) The granting of any priority.

2. For admission to higher military schools, an advantage is provided for the following:

- a) The sons of the active fighters against fascism and capitalism and of servicemen who perished in carrying out their military duty. They are to compete for 10 percent of the places.
- b) The sons of servicemen who have served at least 10 years in the BNA and reserve servicemen who have served at least 15 years of regular service in the BNA. They are to compete for 15 percent of the places set aside for the needs of the BNA.

For the specialty "Border Troops," the preference under Point "b" is given only to the sons of servicemen from the Border Troops who have served at least 10 years. They compete for 15 percent of the places.

For the specialty "Motorized Rifle Troops and People's Militia," the advantage under Point "b" is granted only to the sons of employees of the People's Militia who have served at least 10 years. They compete for 15 percent of the places.

c) The sons of employees of the Balkan BGA [Bulgarian Civil Airways], the Water Transport SO [Economic Trust], the Ocean Fisheries SO and the Central Directorate of the Ministry of Transport who have at least 10 years of regular sea (flight) and operating service in these departments are to compete for 10 percent of the places for the corresponding specialties at the G. Benkovski VNVVU and the N. Y. Vaptsarov VNVMU.

d) For 30 percent of the places for the specialty "Pilot" at the G. Benkovski VNVVU, the competition is among applicant officer candidates who have completed the full course for motor-powered flying at the Organization for the Assisting of Defense [OSO].

The advantage under Points "b," "c" and "d" is given under the condition that the number of points for ranking is not lower than 2 points more than the

number of points of the last person admitted on general grounds for the appropriate specialty.

e) Those who have completed the secondary sergeant's schools with a gold medal are admitted without a competitive exam (if they meet the other conditions) for the corresponding specialty after one year of service in the troops and prior to completing their 23d year.

f) With other conditions being equal, preference is given to regular servicemen who have completed the NShZO, who have done their military service and who have completed courses for military-technical training under the OSO.

The places set aside for applicants with preference and not occupied by them in the admission are filled by applicants who do not have a preference according to the number of points.

3. Ranking is done according to the descending number of points.

In applying only to one higher military school, the determining thing in the ranking is the order of enumerated specialties.

In applying simultaneously to several higher military schools, the determining thing in the ranking is the designated order of the requested VUZ, and after this the order of the enumerated specialties in them.

The results of the ranking are announced in descending order of the number of points, before the work of the admission commission has commenced.

The sessions of the admission commissions at the G. Benkovski VNVVU and the N.Y. Vaptsarov VNVMU are to be completed by no later than 16 August 1986; at the G. Dimitrov VNVAU no later than 1400 hours on 21 August 1986 and at the V.Levski VNVU no later than 22 August 1986.

4. After the reviews, testing and final study of the applicants, the admission commission holds a personal conversation with each applicant, takes its decision and announces it to the applicant. A collective talk is held with the reserves. The decision of the admission commission is final and is not subject to confirmation.

The applicants are to report to the admission commission in the order of their ranking by number of points, in being admitted to the specialties in the order which the young men requested.

Candidates who have been ranked but who have not reported to the admission commission and those who have taken back their documents are considered rejected.

5. The higher military schools notify the admitted applicants in writing, in indicating the specialty for which they have been admitted.

6. If the admitted applicant officer candidates do not report at the stipulated date to the appropriate military school, their places are filled by applicants from the reserves by the order of their ranking.

7. For those who have completed higher military schools, the rank of "Lieutenant Engineer" ("Lieutenant") is given as well as the military skill "Military Engineer" and they are considered to have a higher civil education in the appropriate specialty and skill depending upon the specialty.

#### B. Correspondence Instruction

1. The following persons may apply for correspondence instruction in the higher military schools: officers and sergeants from the BNA and from other departments for all specialties; workers and employees (males) from the MNO system for only engineer and command-engineer specialties; employees (males) from air and water transport, air clubs and sea clubs under the OSO for the appropriate specialties.

2. For correspondence instruction it is possible to apply only to one higher military school for specialties which correspond to the nature of the work performed by the applicant.

3. Accepted for correspondence instruction are applicants who meet the following requirements:

- a) Have a complete secondary education;
- b) Be no older than 40 years of age by 1 September 1986;
- c) Have at least 1 year of job employment by 1 September 1986 in the corresponding specialty for which they are applying;
- d) Have completed their regular military service;
- e) Have received permission from the Personnel Directorate of the MNO that they can apply for correspondence instruction;
- f) Have been recommended by the corresponding ministry;
- g) Applicants for pilots should have flight knowledge and actually carry out flight tasks.

In addition to the designated conditions, the following is also required:

For officers:

Be recommended by their immediate superiors.

For career sergeants:

- a) Be recommended by the unit commanders;



- b) Have completed their secondary education with a diploma grade of at least "very good" (5.00);
- c) Be not over the age of 23 by 1 September 1986;
- d) Have troop experience of at least 1 year by 1 September 1986 for that specialty.

4. Applicants for correspondence instruction who meet the conditions prior to 30 April 1986 are to submit a report up the line of command (for employees of other departments, through the corresponding economic trust) to the MNO Personnel Directorate for receiving authorization for applying for correspondence instruction.

To the report the applicant for correspondence instruction (not including officers) are to submit:

- a) A copy of the diploma for a secondary education;
- b) A recommendation from the enterprise where employed;
- c) Authorization from the corresponding ministry from which it can be seen that it authorizes the candidate for correspondence instruction in the corresponding specialty.
- d) A copy of the pertinent part of the labor booklet and notarized by the enterprise leadership.

5. Officers and sergeants applying for correspondence instruction are to submit up the line of command to the chief of the higher military school the following documents:

- a) A petition to the chief of the higher military school for admission to the competitive exam, in indicating the specialty for which he is applying;
- b) A diploma for a complete secondary education or an officially notarized copy of it;
- c) Authorization to apply for correspondence instruction from the MNO Personnel Directorate and which gives the specialty for which they are permitted to apply;
- d) A birth certificate;
- e) A medical certificate;
- f) An autobiography.

6. Applicants for correspondence instruction (not including officers and sergeants) submit through the chiefs of the military directorates where they

are registered to the chief of the appropriate higher military school the following documents:

- a) A petition for admission to the competitive exam giving the desired specialty;
- b) An autobiography;
- c) An authorization for applying to correspondence instruction from the MNO Personnel Directorate;
- d) A diploma for a complete secondary education or an officially notarized copy of it;
- e) A medical certificate;
- f) Authorization from the corresponding ministry which explicitly designates the specialty for which permission is granted for application;
- g) A copy of the pertinent section of the labor booklet notarized by the leadership of the enterprise or institution for certifying the length of employment;
- h) A recommendation of the applicant from the enterprise or institution where he is employed.
- i) Military registration booklet;
- j) A certificate showing no criminal record;
- k) Birth certificate;
- l) A document proving priority (if there is such).

7. The date for submitting the documents is 4 June 1986.

8. The reporting for the written competitive exams, the grading of the written works, the calculating of the number of points for correspondence instruction and the ranking of the applicants are carried out according to the procedure set out for regular instruction.

For the applicants (not including officers) a testing of psychophysiological qualities and a medical exam are conducted at the corresponding higher schools.

9. Applicants for correspondence instruction have the same priorities as the applicants for regular instruction.

An admission commission takes the decision for admitting the applicants to correspondence instruction.

### C. Scholarship Holders of the MNO

1. As scholarship holders of the MNO, young men are admitted from student applicants and from those studying in institutions of higher learning in the following specialties:

- a) Medicine in the medical institutes in the cities of Sofia, Plovdiv, Varna, Pleven and Stara Zagora.
- b) Physics at the Sofia Kl. Okhridski University for meteorologists in the BNA.

2. Young persons who wish to apply for the above specialties must meet the conditions for applicants to higher military schools.

3. MNO scholarship applicants are to submit their documents following the general procedures to the appropriate higher institutions of learning according to the guidelines set for student applicants. Those successfully ranked in the corresponding civilian institutions of learning (with a number of points over the stipulated minimum for the VUZ) at the latest 10 days following the announcement of the results from the competitive exams and for those already studying in VUZ prior to 1 August 1986, are to submit to the military directorate where they are registered the following documents: a petition, autobiography, medical certificate from a military hospital (for those who have served their regular military service), a medical recruit sheet (for recruits), a health booklet (for servicemen), a certificate showing no criminal record, a certificate showing the number of points from the corresponding VUZ to which they have applied and a declaration that they will serve at least 10 years in the BNA after completing their education while those who are already students in VUZ a certificate that they successfully completed the academic year.

The documents of the applicants certified by the military directorates are to be forwarded to the MNO Personnel Directorate no later than 6 September 1986.

4. Those admitted as MNO scholarship holders who have not served their regular military service begin their studies after serving it.

5. MNO scholarship holders after completing their higher education are accepted for active military service and are appointed to BNA units.

### Concluding Provisions

1. Applicant officer candidates who have submitted documents with a false content, who have attempted to give incorrect information in filling out their documents or who mislead the admission commissions are to be removed from competition in the contest.

2. The chiefs of the higher military schools settle once and for all all questions in accord with the Directive for the Admission of Officer Candidates in the 1986-1987 Academic Year.

3. The MNO Personnel Directorate exercises overall leadership and supervision over the application of this directive.

All additionally arising questions on the admission of student applicants which are not set out in this directive are to be settled by the MNO Personnel Directorate and the G1PUNA [Main Political Directorate of the People's Army].

4. The written works and the protocols of their grades are kept for 1 year after the holding of the competitive exam.

5. This directive is issued on the basis of the Regulation Governing Higher Military Schools in the Bulgarian People's Army.

10272

CSO: 2200/89

POLITICS

CZECHOSLOVAKIA

'ORDINARY WORKERS' NOT REPRESENTED AS HEROES

Prague HALO SOBOTA in Czech 22 Mar 86 p 2

[Text] Do you watch regularly and carefully television plays and films? If you do, try to remember some of the main characters of recent contemporary plays: a race care designer, a doctor, a painter, a journalist, a research institute employee, a director. Now, I am not trying to tell the playwrights how to do their job; I only want to note that "ordinary" people are rarely found in contemporary dramatic works.

Of course one may object that the more interesting the environment where the action takes place, the more interesting the play. I guess it really is simpler to base a conflict on the encounters between a research institute director at retirement age and a young, promising manager who is "dehydrating acids with an ionic oxithelfthalic dispersion" not in three minutes, as everywhere else in the world, but in two. This is probably easier than engagingly and dramatically presenting a piece of the everyday life of a blue collar worker who works hard and honestly, even when his plant requires three-shift operations. He always participates in brigade projects where he lives and he is known to be a straightforward person. Too everyday, banal a theme for a filmmaker or for the theater? Not by a long shot, because it is up to the author, playwright, director, and actors to explore and give form to such a simple life, one which is far from free of conflict in any event.

These are not arbitrary comments. In fact, DELNICKE SLOVO has published a number of letters in which blue collar workers complain that no one is interested in them, as though our society is divided into those people worthy of attention and those not worthy of it. Senior managers, directors or their deputies appear in the workshops only when they need something from workers such as their assistance in fulfilling the plan. Blue collar workers are often poorly informed, or not informed at all, as to the general situation in the factory, as if important information belonged only to management. This amounts to the underestimation of the blue color worker. The same is true of production conferences, the contents of which are often more understandable to candidates for advanced degrees in economics than for an ordinary employee.

Martin Zarecky of Mikulova writes: "At production conferences questions are sometimes addressed that, because of their complexity, belong rather under the authority of the board and the general director. They are often analyses,

studies or projections suitable for well-red experts who, if their input were required by the session, would in any case need a half day or whole day to think about the information. As a result, understandably, the problem "down there" in the workshop, are never discussed. It looks to me as though the management is shouting "go right" and those of us on the shop floor are shouting "go left".

I recently had a conversation with some young blue collar workers of a large plant in Prague. The socialist youth organization was well entrenched here in the rank and file. Meeting were occupied not only with identifying causes, but also finding solutions. These were definately not the sort of people who cower in corners or who need their hand held. But when they did need some support, some indication that they were important to someone, that they were not on their own, no one from either management or any party organizations were present at the meetings...

Mention was made earlier in this article that unfortunately blue collar workers are not common as heroes of films and plays. How could they be, when in everyday life in the factories they are frequently treated as bystanders? This happens even though it is blue collar worker who bears the greatest burden of the hard, exhausting work for the society. He is the one who plays the greatest role in the formation of wealth, he is the one who is the real hero of our everyday lives. He is inclined not to pay too much attention to working conditions, but to give completely of himself regardless. We have in mind here obviously the honest ones, who constitute the vast majority of the working class. These people deserve all of our attention, and not only in art. Party organizations are well aware of this...Valadimir Plesnik.

9276/13068

CSO: 2400/226



12 May 1986

POLITICS

CZECHOSLOVAKIA

## YOUNG CZECHS SAID TO ADOPT NAZI 'SIEG HEIL' GREETING

Prague RUDE PRAVO in Czech 7 Mar 86 p 6

[Excerpts] How Far Formalism Can Lead

We can shake our heads, we can ponder how this could have happened at all, but all that will not do us any good. However, we can learn from it. Because the mistakes and blunders, which occurred in the vocational high school for furniture making in Lisov in the Ceske Budejovice area, have been almost "methodical."

And this is what happened....

The vocational high school in Lisov is attended by more than 300 apprentices. They come here from the Northern Bohemian, West Bohemian and Southern Bohemian regions to be trained in furniture making and upholstering. A full 200 of them live in 2 dormitories for the duration. And it was there that during the course of the last school year certain things came to light about which previously (as was alleged) nobody knew anything. Educators. Instructors. Principal. Nobody. Nothing about the fact that young people here have been listening with their mouths open to the inflammatory speeches which are being beamed to us by the Munich broadcasting station, nothing about how they imagine themselves in the capitalist world and profess its laws, nothing about the greeting 'Sieg Heil', with which groups of boys have been greeting each other, nothing about the affected symbols of fascism (!), the ideology whose followers committed themselves half a century ago to eliminating democracy, freedom, and social progress. Nothing. Nevertheless, it all happened. And it was not just a matter of a day or a month.

Let us go back, then, to the whole affair. No matter how extreme it may be. After talking with some of the staff of the Lisov vocational school, with the secretary of the district headquarters of the Czechoslovak Communist Party in Ceske Budejovice, after reading the reports of the commission for party investigation and the commission for disciplinary action of the presidium of the district headquarters of the Czechoslovak Communist Party, we were suddenly presented with a picture of work which suffers from a malady called formalism.

Formalism in the upbringing of young people. In Lisov it grew to such proportions that it affected not only the upbringing, education and administrative work, but also had a considerable effect on the actions of the basic organization of the communist party. Educators educated, instructors instructed, the director directed the running of the school, but even though one cannot deny that many of them exhibited interest and effort, a casual attitude prevailed everywhere.

To begin with, these failings should have been pointed out by party members. But it so happens that in the life of the party organization there was not only a lack of party openness and insistence on high standards, but also one of the cornerstones of the Lenin style of work--a consistent control over assigned tasks--was missing. There simply was more talk about communist upbringing than was actually introduced into everyday life. To illustrate--the participation of the school in the May celebrations was considered to be practically a luxury. The very own holiday of the working class went almost unnoticed.

We have to look for the reasons for such behavior on the part of the apprentices (not all of them, of course) in many causes. For example, in unsettled family circumstances, in neglected upbringing, but also in the improvisations to which the life in the school was subject.

Certain people must answer for specific mistakes in the upbringing of the worker youth. For example, the principal of the school Eng Petr Fort, as it later turned out, assumed this function after having been in production and having no experience in pedagogy. Perhaps that was also the reason why he concentrated primarily on resolving those problems which had to do with building up a new regional training institution, and with finishing the building and equipping of the dormitories. The process of upbringing somehow got shunted to one side.

Jan Tvrz, deputy principal for theory instruction and also the chairman of the Basic Organization of the Czechoslovak Communist Party, similarly contributed to the situation. During his evaluation, we heard about inadequate experience in party work, about mistakes in directing and leading the organization. That inevitably led to proceedings and party penalties. Principal Petr Fort, his deputy for extracurricular activities Vlastimil Vopatek, as well as the deputy head educator, Josef Cincura, were relieved of their duties. The chairman of the Basic Organization of the Czechoslovak Communist Party was also replaced. Comrades Fort, Vopatek and Tvrz were disciplined for violating the rules of the communist party. In the first case a reprimand, in the remaining cases a warning. But we should stress one very basic point. Nobody condemned anyone. In our society everyone has a chance to prove that he can deserve confidence again.

Since the beginning of the new school year, the Lisov vocational school has a new administration. It is headed by Eng Jana Hajkova. She came here from the vocational high school in Pisek, one of the best in the region. She knows only too well, therefore, what it takes to achieve success. What are her impressions?

"Many people tried to dissuade me. They said I can only fail here. But today I see that the situation is not all that terrible, even though there are more than enough problems which we gradually have to resolve."

First, she took a look at the apprentices. And her concern was for both their training and their free time. Because the rule, that young people expect not only to be taught but also to be entertained, applies even here. And if entertainment is not offered to them they will find their own. How? That was what we wrote about at the beginning. That is also the reason why the roster of interest groups is so extensive. I counted 14 of them. Everyone is to choose among them. But two at the most, because there has to be time left for rest and training. The whole school (but most of all both dormitories) can feel how much more strict the regimen is now. Miracles do not occur. "Merely" a strict adherence to the daily regimen is required. From the morning wake-up call to the evening taps. As I heard, discipline is the alpha and omega of all the activities. Therefore also as far as upbringing is concerned. Even the educators are affected.

Antonin Zlamal, deputy principal for education other than training, remarked: "I think that the road we have chosen is the correct one. To resolutely and consistently fulfill tasks for which each of us is responsible. I know that many educators do not like the current way of running things, but there is no other way. When work discipline is being strengthened, ovations are hardly ever forthcoming."

12605/12955  
CSO: 2400/213

12 May 1986

POLITICS

CZECHOSLOVAKIA

## EXAMPLES OF NEGLECT IN SOCIETY DEPICTED

Prague TVORBA in Czech 22 Jan 86 p 5

/Text/ The courtyard located in Stepanska Street look like any other courtyard. A wooden shack, cobblestones, several working cars, one wrecked car, seven ash cans. And among all this young girls playing with their dolls. It will soon be Sunday noon. A man gets out of the front door, walks in the direction of the ash cans and, after a while, I can see that he is emptying the contents of his ash pail on the ground.

"What is the matter with you?" says a voice in the window on the second floor. The young man retorts: "This is none of your business. Where should I empty it when all the cans are full? I am not to blame." He kicks one of the cans and resentfully goes back to his apartment.

It dawns on me that I have seen many other similar cases. For example, I witnessed a bus arriving yesterday. The people were crowded at the door but in the middle and in the front the bus was empty. I could have taken that bus, but it would have required that somebody already inside take two steps back. And why should he have done it when he was already inside? A woman who stayed behind with me at the bus stop got very angry over this lack of willingness to accommodate fellow passengers and the lack of civility. Before she entered another bus, she discarded an unfinished cigarette on the sidewalk. Otherwise, she would have had to take two steps to reach a wastebasket. But why should she go to such trouble? Somebody would clean the sidewalk anyway.

An accident occurred in Brandys nad Labem several years ago. Instead of using the water tap, the people got their water directly from the storage tank. It was obvious that there would soon be a water shortage. One would say that in such a case the people would see the need to conserve water and to be considerate to others in order that all might get water. However, one of the garden owners attached a hose to the water tank to water his garden. Why should he care that there was a water shortage? After all, he was not the one who had caused the shortage.

When one of the ticket machines does not work, most people go to another machine to have their ticket punched. However, there are among us some characters who tell themselves: "I am not responsible for the broken

machine; I expected it would work," and in their innermost thoughts they are glad that they can save one koruna. Sometimes, however, we witness more serious things. A furnace stops working in a plant. The management could say: we are not responsible for the breakdown; consequently, we will lower our target and let someone else take care of the problem. Or, management can ask the most sacrificing and able workers to start fixing the broken furnace without waiting for the outside repair organization which has all sorts of excuses for not fixing the furnace. Even our legislators sometimes, though not always, anticipate such situations. For this reason, for example, drivers are required to assist in the case of accidents even when they do not cause it.

Life is such that we can anticipate unexpected surprises all the time both at home and at work. In modern terminology these surprises are called "situations." They are the situations which we cannot anticipate but which occur anyway but to which no worker is assigned to correct them. They are situations in which we are left on our own. We must make a decision: Should we dump the ashes on the ground or wait until the can is empty? If we dump the ashes on the ground, no big tragedy will take place. Usually, there will appear a good samaritan who, while not responsible for this situation, will clean the courtyard because he is unwilling to look at the mess.

A classic case occurred in the new section of Prague. In an otherwise exemplary high-rise building, someone performed his natural functions in front of an apartment on the second floor. Perhaps out of ill will, perhaps in desperation because the modern developments do not include ancient facilities such as toilets. The cleaning crew concluded that it was not their task to take care of this human waste. The same conclusion was reached by a tenant who, incidentally, is a teacher. Consequently, she asked the building's management to remedy the situation. However, not even this body, in spite of the fact that its committee investigated the case, was unable to find anybody whose job description would include such a task. For the entire week the female teacher had to cross over the mess, which I do not want to describe, located in front of her door behind which she wrote one complaint after another.

Before a decision could be made by someone who had responsibility an unknown tenant, probably a lady on the fourth floor, took her dustpan and carried the dirt away in a container.

We often talk of a petty bourgeois mentality, of the lifestyle characterized by consumerism but fail to understand the danger in such a lifestyle. The danger of the petty bourgeois mentality is primarily in its unwillingness to do anything which does not bring personal profit. Moreover, such unwillingness is accompanied by ideological arguments which sound noble because a petty bourgeois will not admit that his behavior would be anything but honorable and exemplary. I remember the time when we were members of the Youth Union and as such visited various work sites to help. For example, a dredge was erected for a gas pipeline between Most and

Prague. At that time the brigades were voluntary but not all of those who were invited took part. However, a petty bourgeois could be identified because of his effort to justify his absence by some higher interest. Thus, I found out when talking to one of my friends that he would participate in the brigade but only on condition that all the others would do the same. He offered advice: we should make the participation in the brigade compulsory and then he would gladly take part. However, when some come and others do not, it is not fair, he indignantly complained. He was, he said, an "individual with a sense of fair play" who was unwilling to put up with any inequity, not even the inequity of taking part alone in the brigade while no one else from his house did likewise.

No one of us is any angel. Sometimes it is demonstrated that we throw a lighted cigarette on the ground next to the ash can. At other times, that we are unwilling to help in cleaning a public place in spite of the fact that we know that our help is needed and that we were invited to take part in a brigade. At the moment we are unwilling to admit our own willingness to help and when we start to make excuses and justify this unwillingness by some higher interest, we transform ourselves into a petty bourgeois.

I thought about all of this at the moment when I saw the ashes roll over the cobblestoned courtyard on Stepanska Street. True, the young man shouted through the window that it was not his fault that the ash cans were full. However, it is quite possible that he emptied the ash pail on the ground only because nobody had taught him that such things are not done.

In order to put myself into his situation I crossed over to investigate the ash cans. There were six of them in a circle and the seventh was in the middle. The six cans were full; the seventh was empty.

1277/12276

CSO: 2400/229



POLITICS

HUNGARY

# WARNING ISSUED AGAINST REPETITION OF 1956 REVOLUTION

[Editorial Report] Budapest UJ TUKOR in Hungarian on 9 March 1986 carries on page 16 a warning by Sandor Fekete that any repetition of the violent uprising in October 1956 against Soviet troops would be catastrophic. UJ TUKOR is an officially approved weekly journal of popular culture, and the warning appears in an article that is mainly devoted to a vehement attack on the writer Istvan Csurka. At the Budapest cultural "counterforum" last fall Csurka had urged Hungarians not to accept the official line that people must accept current reality and must act on the basis of realistic expectations. Fekete ridicules Csurka's vague exhortations to resistance, and, relying heavily on sarcasm, launches a specific warning against rebellion:

"If there is no difference between the dismal acceptance of reality and a struggle to the death for freedom, a struggle that threatens us with the ultimate catastrophe, then no matter what, we Hungarians and especially we intellectuals should not hesitate, we should die for liberty! Let us be kamikazies! Soon it will have been thirty years since Budapest was shot to bits, it's time we forgot about the smoking ruins, the bloodbaths at the parliament, the butchered and disembowled defenders of the Party center at Koztarsasag Square, the hanged insurrectionists, the thousands who were locked in prisons and camps after the battle! What do so many tears and so much blood matter, as long as as we can sing the Szozat [a patriotic hymn, at times forbidden] on the street corners for a couple of weeks...."

"Don't hesitate, don't just stand there foaming at the mouth, Hungarian! As long as we are rotting here in the distant Eastern reaches of the world, let us behave in an Eastern way; let us make a Lebanon out of Hungary, let us have foreign tanks clashing here in our streets, let the boredom of Politburo meetings be shattered by the sound of guns as in Aden, let us kill each other, as in Afghanistan or Cambodia; long live death, Hungarians have a great time in the grave, let's go on to the new ruins and the new gallows! Don't worry, the catastrophe won't be total in any case, because the smart and clever people will once again escape to safety in time...Why should I be afraid of a small revolution, I, who am constantly trifling with revolutions and who once or twice, if it was very necessary--in 44, in 48, in 55, and in 56--managed to overcome my fear?"

"This is how I try to fire myself up, but the spark doesn't start a flame. Maybe precisely because I do know something about the history of revolutions, and I can distinguish between situations that call for a revolution, and those that do not. And also because I clearly see the difference between responsible analysis and irresponsible swaggering, the latter of which only recognizes two extremes: the revolutions that have made us famous, and the selling out to dismal reality and the renunciation of achieving any change in the world. However...anybody who can think and see, and is decent enough to admit what he sees, can experience that today between the servile acceptance of reality and deathly adventurism that goes against the entire world situation there is a third possible way, the way which Hungarian development has already been following for decades. The '56 tragedy proved in a dramatic way the irreality of distorting dogmas and paralyzing deeds, and the new leadership most certainly did "question," in fact did do away with, this kind of unrealistic reality; it instituted reforms, and today Hungary is once again "famous" in the world, but it became famous precisely because of its policy of reform, already at a time when in other quarters even stagnation was not called by its true name."

CSO: 2500/263

POLITICS

POLAND

# PZPR VIEWS POLISH COMMUNITIES IN CAPITALIST COUNTRIES

Warsaw TRYBUNA LUDU in Polish 14 Feb 86 pp 1,2

/Article by Daniel Lulinski: "Poland Has an Interest in Cooperation With Polonia"/

/Text/ The PZPR Central Committee's International Commission held a session on 13 February to discuss the government's "Program on working with Polish communities in capitalist countries in 1986-1990."

In connection with the resignation of Stefan Olszowski as chairman, the commission expressed their thanks for the work he performed hitherto. The commission appointed Marian Orzechowski, alternate member of the PZPR Central Committee Politburo and foreign affairs minister, to the post of chairman. Ernest Kueza, head of the Foreign Division of the PZPR Central Committee, remained secretary of the commission.

During the discussion on the "Program on working with the Polish community abroad," it was emphasized that expanded cooperation with this group is in the interest of the Polish people and their socialist state. This cooperation should be based on mutual benefit while simultaneously allowing Polonia to remain loyal to the country where they may reside. Worldwide, there are approximately 13 million individuals of Polish descent, the majority of whom, 8.4 million, live in the US. Much importance was placed on Polonia's dissemination of Polish culture abroad and in shaping and developing relations between Poland and the country where they reside. The post-war experience of such cooperation was taken as an example. Attention was also drawn to the political conditions attached to the cooperation with Polonia in 1980-81 and to the attempts made during this time at utilizing political emigre centers for carrying out American and her allies global strategic plans against our country. Despite this attempt, Polonia communities had essentially taken a realistic approach to the developing situation in Poland.

Progress made in normalizing the situation in the country created conditions which led to a return to cooperation between Poland and Polonia. This was also made apparent by Wojciech Jaruzelski's meeting with an American Polonia group while in New York attending a session of the UN. The commission backed the Program and proposed the course of

activity. Increased contact with Polonia in the coming 5 years should be an integral part of Polish foreign policy and should serve to increase mutual understanding between the Polish people and the people of the country where Poles have settled.

The commission discussed a preliminary statement on realizing Resolutions of the 9th Special PZPR Congress pertaining to the party's and country's international activity and on the work of the PZPR Central Committee's International Commission between the 9th and 10th Congress. From August 1981 to the present, the International Commission held 20 meetings to discuss crucial questions on the PZPR's international relations and on Poland's foreign policy.

Comrades participating in the discussion were: Stanislaw Pichla, Jozef Woloch, Zygmunt Galecki, Zbigniew Kamecki, Jozef Brozek, Andrzej Wietrzykowski, Zdzislaw Grzelak, Jan Turski and Ryszard Borowski.

The proceedings were summarized by Marian Orzechowski who emphasized that People's Poland is not conducting a policy towards Polonia dictated by the existing state of affairs but rather wishes to expand contacts and cooperation with her marked by goodwill and in the spirit of cultivating a tradition of close ties among Polonia communities and Poland.

13090/12276  
CSO: 2600/330

POLITICS

POLAND

# ZSL AKTIVS DISCUSS PZPR PROGRAM, FOREIGN POLICY

Warsaw TRYBUNA LUDU in Polish 25 Feb 86 p 2

/Text/ Aktivs of both the central and provincial councils of the United Peasant Party /ZSL/ focused their discussion on 24 February in Warsaw on crucial problems relating to proposals and acts of the upcoming 10th PZPR Congress and to current foreign policy issues.

This council, as had been stressed at the opening of the deliberations by the chairman of the United Peasant Party Chief Committee /NK ZSL/, Roman Malinowski, inaugurated a discussion within the party on its proposed program which will express the sentiment of the entire socialist coalition in Poland and outline the prospects of continued development of the country. The debate over this document, which expresses a new form of interparty relation, will be one of the more important reporting campaign elements of the ZSL currently underway at local and coordinated levels and at meetings preceding the annual May 1st celebrations. ZSL party members will also participate in open debates at PZPR organizational meetings. The NK chairman stated that the ZSL's findings will be summarized by the NK ZSL Presidium and subsequently delivered to the PZPR leadership before the 10th PZPR Congress.

The principal premises of the PZPR program, with particular regard given to problems concerning farm policy and to the progress of the work in writing such a document, were stated by the PZPR central committee secretary, Henryk Bednarski. He called attention to the fact that this is the first such PZPR program of its kind. Previous documents outlining party activity for longer durations had been ideological-programmatic declarations in nature. The main purpose of the PZPR program, as intended by the creators, is for its becoming a fundamental theoretical-ideological document outlining strategic goals and a course leading to their realization. Furthermore, a document of such magnitude should arrange and broaden programmatic concepts and views on building socialism while remaining open to new problems and tasks. It is intended for the entire society and not the party alone. While discussing the section of the document concerning the problems associated with agriculture and the village, the speaker stated that there was a common PZPR and ZSL farm policy calling for immediate evolutionary changes in modernizing agricultural practices and ensuring the cultural development of the village.

Current problems of Polish foreign policy during the existing international situation were discussed by alternate member of the PZPR Central Committee Politburo and Minister of Foreign Affairs, Marian Orzechowski. He stated that our foreign policy is being realized at a level of allied cooperation among the PZPR, ZSL and Democratic Party /SD/ and at a level of national understanding. Its basis rests on the character of our country and her attachment to the socialist community. The main principles under which this policy can be realized are to strengthen friendship and cooperation with all socialist countries--particularly with the USSR, to extend friend relations with developing and nonaligned countries, as well as, to increase cooperation with capitalist countries based on mutual benefit and respect for each country's sovereignty. These principles--stated the speaker--have been fully acknowledged in the PZPR Program.

R. Malinowski stressed the need for active participation by all ZSL members in the discussion of documents relating to the 10th PZPR Congress. He stated that this will serve to strengthen interparty cooperation and to increase the public's joint responsibility to the socialist fatherland. During a speech on the international situation, the NK chairman called attention to the significance of the 27th CPSU Congress and sent its participants a wish for productive debates from the Polish people.

A conference comprised of chairmen of provincial ZSL committees, heads of ZSL departments and editors-in-chief of ZSL publications was held on 24 February under the leadership of the NK chairman, Roman Malinowski. They were acquainted with the country's socio-political and economic situation with particular regard given to the village and agriculture food industry. Jozef Koziol, the NK vice-chairman, discussed the progress of economic reform in the food industry and action by the ZSL needed to be taken in further realizing the food program.

13090/12276  
CSO: 2600/330



POLITICS

POLAND

#### ZSMP ON YOUTH'S HISTORICAL EDUCATION

Warsaw TRYBUNA LUDU in Polish 4 Mar 86 p 2

/Text/ The utilization of historical experience has particular significance in the shaping of political knowledge of contemporary Polish youth. That is why the Union of Socialist Polish Youth /ZSMP/ has attached so much importance to youth's historical education.

Committees on the history of the youth movement play an important role in assisting the ZSMP in this activity. Some 400 exist in the country and comprise 30,000 aktivs of former youth organizations.

The Main Commission on the History of the Youth Movement under the direction of the ZSMP Main Administration held a plenary session on 3 March in Warsaw to discuss the problems in shaping historical awareness on young Poles. Albin Siwiak, Politburo member of the PZPR Central Committee, participated in the debates.

Young people's low level of historical awareness was pointed out at this time. They are lacking in basic knowledge of historical facts and an understanding of politics and economics which are essential in conducting independent analysis of social occurrences. Young people tend to rely on random interpretations of our country's history based on historical myths and stereotypes rather than on reality. Knowledge of the history of the workers' and youth movements is also deficient.

13090/12276  
CSO: 2600/330

12 May 1986

SOCIOLOGY

CZECHOSLOVAKIA

## DRINKING ON THE JOB STILL UNCHECKED

Prague HALO SOBOTA in Czech 15 Feb 86 p 2

[Commentary by Jozef Podlesovsky, Bratislava: "Education or a 'Drinking Spree'?" ]

[Text] I'd like to give you my opinion on the article "Alcohol Has No Place On the Job" (HALO SOBOTA, No 2, 11 Jan 86). I agree with it but I have the impression that most of my co-workers, and some supervisors, think otherwise. We drink on the job here and if someone does not raise his glass with the others it's as though he were excluded from the team. Not from the work, that still goes on. I also don't like the so-called social get-togethers for MDZ [International Women's Day], at the end of the year, etc. They are nothing but drinking sprees, with absolutely no cultural value or benefit.

It's the same with trips to various workshops and work centers. What kind of a trip can it be when some "travelers" are already drunk at the start of the trip and sleep all day on the bus so they can drink again in the evening. I won't even mention the improper behavior. Usually the result is family problems, quarrels or even divorces. And it's the same with educational sessions which are generally arranged away from the plant and out of town. What kind of education is it when employees leave in the afternoon, travel by bus 1 or 2 hours and by the time they are lodged and have eaten, it is evening? They return to their families the next day after lunch. Some are still in high spirits, others are taciturn. And they for a time they whisper all over the enterprise that it was first-rate and they look forward to more training. Why wouldn't it be first-rate when we hear that secretary Irene was dancing on the table top? I don't have anything against schools, parties, training, etc. I, myself, take part from time to time but I don't like that at all.

I am an older man and probably have other opinions but I am not ready for the scrap heap yet. I'd still like to get a fair amount of work done before I retire. But some things I just do not like. And most decent folks surely do not either.

8491/12795

CSO: 2400/204

SOCIOLOGY

CZECHOSLOVAKIA

BRIEFS

**OBESITY: GROWING CONCERN**--We must admit that obesity in our country is on the whole a common disease that is growing, especially among people over 40 years of age. In Czechoslovakia, over one-fourth of the men and one-third of the women in the productive age suffer from obesity. Results show that women between 40 and 60 years of age suffer from obesity to a rate of 40 to 60 percent. Clinical obesity exceeds latent obesity. The opposite happens among men. In Bratislava, in the 45 to 54 year age bracket 39.4 percent of men performing mental work and 35.4 percent of men performing manual work are obese. For women, the respective figures are 35.2 percent and 49.8 percent. (I got these figures from the surveys made between 1976 and 1979.) Obesity, however, is on the rise not only among adults but also among school children where, based on an investigation made between 1972 and 1975, it fluctuates between 10 and 25 percent, depending on whether the child lives in the countryside or in the city. [Excerpt] [Bratislava PRAVDA in Slovak 13 Dec 85 p 4] 1277/12955

**CIGARETTE SMOKING ON INCREASE**--Prague--Czechoslovakia ranks 24th in the world in cigarette consumption. In 1984 the annual consumption per person in the CSSR was 1,793 cigarettes--1,862 in the CSR and 1,652 in the SSR. Last year consumption increased to 1,802--1,877 in the CSR and 1,651 in the SSR. (In Norway, for example, consumption fell to only 500 in recent years.) [Excerpts] [Prague RUDE PRAVO in Czech 12 Feb 86 p 2] 8491/12955

**MORE ORGAN TRANSPLANTS IN EXPERIMENTAL INSTITUTE**--Prague (CTK)--In response to a query from CTK on current developments in organ transplantation in the CSR, Jaroslav Prokopec, the CSR Minister of Health, made this reply: The program of transplanting vitally needed organs is developing consistently under the sponsorship of the Institute of Clinical and Experimental Medicine (IKEM) in Prague-Krci, the II Surgical Clinic and Cardiosurgical Center in Brno and in other selected centers. The program includes transplants of livers, kidneys and kidneys together with the pancreas, and since 1984 even heart transplants. For example, in 1985 there were 147 kidney transplants in the CSSR, of which 70 were performed at IKEM. This year IKEM performed three heart transplants. One of the patients has already been released to home care, the other two are in satisfactory condition. A part of this program is, of course, cooperation or direct assistance in the preparation of needed specialists of other states. This was the case in the preparation of transplant specialists from health establishments in socialist Cuba. Some of

these were trained directly at the Prague Institute of Clinical and Experimental Medicine. In addition, our training staff, which was headed by the IKEM director, worked in Havana. [Text] [Prague RUDE PRAVO in Czech 11 Feb 86 p 2] 8491/12955

CSO: 2400/204

END